

FEDERAL BUREAU OF INVESTIGATION  
FOI/PA  
DELETED PAGE INFORMATION SHEET  
FOI/PA# 1251696-0

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F B I

## TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

## PRECEDENCE:

Immediate  
 Priority  
 Routine

## CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 8/17/79

16

FM NEW YORK (29-15128) (P) (M-2)

TO [REDACTED] (29-85152) ROUTINE

BT

U N C L A S

b6  
b7C  
b7D  
b7E

[REDACTED] ET AL, BF &amp; E; ITSP (A); OO: NEW YORK.

REFERENCE BUREAU TELETYPE TO NEW YORK, DATED AUGUST 9,  
1979.

IN REFERENCE TO CAPTIONED MATTER NYO MAKES THE FOLLOWING  
TWO REQUESTS:

1. [REDACTED]

[REDACTED]

2. [REDACTED]

IN THE FIELD SUPPORT

ACCOUNT REGARDING THIS CASE FILE.

REGARDING REQUEST NUMBER ONE, NYO PRESENTLY [REDACTED]

[REDACTED]

①-NEW YORK  
1-SUPERVISOR # M-2  
1-PROGRAM MANAGER, ADIC

GAM:meh  
(3) meh # M-2

29-15128-476  
H/A 2131  
2131

Approved:

*JB*

Transmitted

(Number)

(Time)

Per

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
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PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE TWO U N C L A S

DATE, OPERATION HAS BEEN SUCCESSFUL INASMUCH AS INCRIMINATING  
 EVIDENCE HAS BEEN OBTAINED AGAINST [REDACTED]

NYO IS NOW PREPARING TO BEGIN THE SECOND PHASE OF THIS  
 OPERATION WHICH INVOLVES A SECOND GROUP OF SUBJECTS HEADED  
 BY [REDACTED]

HAS ADVISED THAT [REDACTED]

[REDACTED] A STRONG PROBABILITY EXISTS THAT AT SOME  
 POINT IN THE SOURCE'S NEGOTIATIONS WITH [REDACTED]

[REDACTED] IN ADDITION SUFFICIENT SA'S WILL  
 BE UTILIZED TO AFFORD UCSA'S AND SOURCE APPROPRIATE SECURITY.  
 IN INITIATING THE SECOND PHASE OF THIS OPERATION NEW YORK  
 RECOGNIZED TWO IMMEDIATE GOALS:

1. TO OBTAIN [REDACTED]

[REDACTED] REGARDING THE FORMER THEFT OF SECURITIES

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

b6  
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FBI

## TRANSMIT VIA:

Teletype  
 Facsimile  
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## PRECEDENCE:

Immediate  
 Priority  
 Routine

## CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

b6  
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b7E

Date \_\_\_\_\_

PAGE THREE U N C L A S

FROM BACHE, HALSEY, STUART, AND SHIELDS, NEW YORK, NEW YORK,  
IN NOVEMBER 1977, IN THE AMOUNT OF 1.2 MILLION DOLLARS.

2. TO SET UP A "BUY-BUST" SITUATION IN WHICH A SUB-  
STANTIAL RECOVERY OF STOLEN SECURITIES CAN BE ACCOMPLISHED,  
AS WELL AS ARRESTS OF SUBJECTS, [REDACTED] ET AL.

[REDACTED] ADVISED THAT IN DEALING WITH [REDACTED]  
THERE IS ALSO A STRONG POSSIBILITY THAT [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] ARE DIRECTLY LINKED WITH JACKIE  
CERONE, AKA, "JACKIE LACKIE," WELL KNOWN HEAD OF THE CHICAGO  
"OUTFIT." [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] IT IS NOTED THAT IF CERONE'S NAME  
WERE INTRODUCED INTO THE NEGOTIATIONS SUCCESSFULLY [REDACTED]  
[REDACTED] WOULD BE REDUCED CONSIDERABLY.

FBI

## TRANSMIT VIA:

Teletype  
 Facsimile  
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## PRECEDENCE:

Immediate  
 Priority  
 Routine

## CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE FOUR U N C L A S

REGARDING REQUEST NUMBER TWO, AN ADDITIONAL

[REDACTED]

[REDACTED] ANTICIPATED DURING THE SECOND PHASE

OF THIS OPERATION.

[REDACTED] IN

ADDITION, THE POSSIBILITY EXISTS THAT

[REDACTED] ONE OR TWO XEROX SAMPLES OF THE

STOLEN CERTIFICATES PRIOR TO ARRANGING A BUY OF THE ENTIRE  
 AMOUNT.

[REDACTED] IT IS NOTED THAT THIS PROCEDURE IS OFTEN UTILIZED  
 BY CON MEN IN DEALING WITH SECURITIES PEDDLERS IN ORDER TO  
 INSURE, BEFORE EXCEPTING THE FULL AMOUNT THAT THE SECURITIES  
 ARE IN FACT NEGOTIABLE.

AUSA [REDACTED] SDNY, HAS ADVISED THAT SECURING  
 ONE OF THESE XEROX CERTIFICATES WOULD FURNISH ADDITIONAL  
 EVIDENCE THAT WOULD STRENGTHEN THE PROSECUTIONS CASE CON-  
 SIDERABLY.

BT

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420  
NY  
DE HQ 0279 2352247

ZNY EEEEE

P 232003Z AUG 79

FM DIRECTOR FBI

TO FBI NEW YORK PRIORITY

b6  
b7C  
b7E

ATTN: SUPERVISOR [REDACTED]

BT

UNCLAS E F T U

[REDACTED] ET AL, SF&E; ITSP (A); OO: NEW YORK

RE NEW YORK TELETYPE TO DIRECTOR, DATED AUGUST 17, 1979  
AND BUTELCAL TO NEW YORK 8/23/79.

THIS CONFIRMS RE BUTELCAL WHEREIN YOU WERE ADVISED THAT  
FBIHQ AUTHORITY HAS BEEN GRANTED FOR SAC NEW YORK, TO EXPEND  
[REDACTED] FROM [REDACTED] ACCOUNT IN  
THIS CASE.

YOUR REQUEST FOR [REDACTED] TO  
BE UTILIZED IN THIS CASE, DURING THE PERIOD AUGUST 27 TO  
SEPTEMBER 27, 1979, HAS BEEN APPROVED. THESE FUNDS, WHICH ARE  
TO BE FORWARDED TO YOUR DIVISION VIA AIRTEL BY AUGUST 27, 1979,  
REPRESENT AN ADVANCE TO YOUR OFFICE AND ARE NOT TO BE CONSIDERED

29-15122-477

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 24 1979	
FBI - NEW YORK	

*[Handwritten signatures and initials over the stamp]*

Noted  
RGA  
Aug 21/79

PAGE TWO DE HQ 0079 UNCLAS & F T U

PART OF YOUR [REDACTED] ACCOUNT NOR DEPOSITED THEREIN.

THESE FUNDS [REDACTED]

AND ARE TO BE PROVIDED ADEQUATE SECURITY AND ACCOUNTABILITY.

BT

0079

b7E

NNNN

TRANSMIT VIA: airtel

PRECEDENCE:

CLASSIFICATION:

ACCT. DIV

SAC 2

SAC 3

DATE: 8-24-79

M-3  
PERSONAL ATTENTION

REGISTERED MAIL

b6  
b7C

To: ADIC, New York

From: Director, FBI

[REDACTED] ET AL, BF&E;  
ITSP (A); OO: NEW YORK

ReButel dated 8-23-79.

Enclosed is U. S. Treasury Check Number [REDACTED] in  
the amount of [REDACTED] made payable to [REDACTED]b6  
b7C  
b7EThese funds represent an advance to your office and  
should not be considered part of your [REDACTED] Account  
nor deposited therein. These funds are authorized for  
utilization in connection with the above-captioned matter b7E  
only.

The funds [REDACTED]

[REDACTED] Confirm transaction to Headquarters by airtel.  
While these funds are in your possession insure adequate  
security and establish accountability for same.

(Do not type BEYOND THIS MARGIN.)

Enclosure

*mc*

(Do not type below this line.)

b6  
b7C21-15127-479  
[REDACTED]

8/3

REGISTERED MAIL

ENCLOSURE TO AIRTEL TO  
ADIC, NEW YORK, (PERSONAL ATTENTION)  
DATED 8-24-79, CAPTIONED,  
" [redacted] ET AL, BF&E;  
ITSP (A); OO: NEW YORK."

b6  
b7C

AL0203 2430255Z

RR, NY

DE AL

R 0312015Z AUG 79

FM ALBANY (29-NEW) (P)

TO NEW YORK (29-15128) (ROUTINE)

BT

UNCLAS

[REDACTED] ET AL, BF&E; ITSP (A),

OO: NEW YORK.

b6  
b7C

RE ALBANY TELEPHONE CALL TO NEW YORK OFFICE DATED  
AUGUST 30, 1979.

ON AUGUST 30, 1979, [REDACTED] ASSISTANT UNITED  
STATES ATTORNEY, FEDERAL DISTRICT OF VERMONT, BURLINGTON,  
VERMONT, ADVISED THAT ON AUGUST 29, 1979, AT APPROXIMATELY  
8:00 P.M., HE RECEIVED A TELEPHONE CALL AT HIS HOME FROM

AT [REDACTED]

TELEPHONE [REDACTED]

8/30/79  
gjm

29-15128-  
SEARCHED INDEXED  
SERIALIZED FILED

AUG 30 1979

FBI-NEW YORK

AL 29-NEW, PAGE TWO, UNCLAS

[REDACTED] ADVISED [REDACTED] THAT IN NOVEMBER, 1978, HE  
WAS CONTACTED BY INDIVIDUALS REPRESENTING FINANCIAL  
SERVICES BANK LIMITED, ST. VINCENT BRITISH WEST INDIES  
AND WAS ASKED TO REPRESENT THE BANK. [REDACTED] WAS TOLD  
THE LEGAL SERVICES INVOLVED ONE MILLION DOLLARS WORTH  
OF BEARER BONDS WHICH WERE SENT TO CHEMICAL BANK, NEW YORK,  
NEW YORK, FOR REDEMPTION AND WHICH CHEMICAL BANK HAD  
DISHONORED. [REDACTED] DESCRIBED THE BOND AS BEARER NOTES  
FROM NASSAU COUNTY, NEW YORK, CALLED TAX ANTICIPATION  
NOTES.

b6  
b7C

[REDACTED] ADVISED [REDACTED] THAT HE TRAVELED TO ST. VINCENT  
AND SPENT FIVE DAYS THERE DISCUSSING THE CASE WITH [REDACTED]  
[REDACTED] AND A MICHAEL BARNETT, WHO  
ALSO USES THE ALIASES OF PAUL BURNETT, MICHAEL PAUL AND  
MYRON SONNETT. [REDACTED] ALSO ADVISED [REDACTED] THAT WHILE  
[REDACTED] HE SAW A LETTER FROM THE CHEMICAL  
BANK IN WHICH THE CHEMICAL BANK DISHONORED THE BEARER BONDS.  
[REDACTED] ALSO ADMITTED SEEING COPIES OF THE BEARER BONDS.

AL 29-NEW, PAGE THREE, UNCLAS

WHILE IN ST. VINCENT. [REDACTED] ADVISED HE WAS TO RECEIVE \$5,000 AS A RETAINER TO START, HOWEVER, [REDACTED] NEVER RECEIVED A RETAINER AND STATED HE HAS NEVER REPRESENTED THE BANK.

[REDACTED] WAS RECENTLY CONTACTED BY MICHAEL BARNETT AND WAS AGAIN ASKED TO REPRESENT THE BANK. [REDACTED] STATED HE PERSONALLY MET WITH BARNETT IN CONNECTICUT ON AUGUST 27, 1979. [REDACTED] ADVISED HE TOLD BARNETT THAT UNLESS BARNETT COMES UP WITH A RETAINER HE IS NOT REPRESENTING THE BANK AND THAT THERE IS NO ATTORNEY CLIENT RELATIONSHIP. BARNETT ADMITTED TO [REDACTED] THAT THE BEARER BONDS WERE STOLEN AND ADVISED [REDACTED] HE STILL WANTED [REDACTED] TO REPRESENT THE BANK.

[REDACTED] ADVISED [REDACTED] THAT BARNETT HAD ASKED HIM HOW TO PASS STOLEN SECURITIES. [REDACTED] TOLD BARNETT THAT THERE ARE 25 STEPS ONE MUST FOLLOW AND THEN REITERATED THE STEPS TO BARNETT. BARNETT TOOK COPIOUS NOTES WHILE [REDACTED] WAS FURNISHING THE 25 STEPS. BARNETT TOLD [REDACTED] THAT

AL 29-NEW, PAGE FOUR, UNCLAS

[REDACTED] RETAINER WOULD BE IN [REDACTED] HANDS BY 1:30 P.M.  
ON AUGUST 29, 1979.

b3  
b6  
b7c

[REDACTED] ADVISED THAT ON AUGUST 29, 1979, AT 1:30 P.M.  
HE RECEIVED A TELEPHONE CALL FROM [REDACTED]  
[REDACTED] WHO ADVISED [REDACTED] HE WAS CONTACTED BY THE FBI  
AND HAD BEEN SUBPOENAED TO APPEAR AT A FEDERAL GRAND JURY  
IN NEW YORK. [REDACTED] DESCRIBED [REDACTED] AS [REDACTED]  
[REDACTED]

[REDACTED] ADVISED [REDACTED] THAT HE WAS CALLING [REDACTED]  
BECAUSE HE HAD KNOWLEDGE OF A POSSIBLE FEDERAL CRIME AND  
WANTED THE U.S. ATTORNEY TO KNOW ABOUT IT.

THE ABOVE INFORMATION IS SET FORTH FOR THE INFORMATION  
OF THE NEW YORK OFFICE AND NO ADDITIONAL INVESTIGATION  
WILL BE CONDUCTED BY THE ALBANY DIVISION UNTIL INSTRUCTED  
TO DO SO BY THE NEW YORK DIVISION.

BT

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 9/1/79

FM NEW YORK (29-15128) (P)

TO DIRECTOR ROUTINE

ALBANY ROUTINE

b6  
b7C

BT

UNCLAS

ET AL, BF&amp;E, ITSP (A) OO: NEW YORK

REALBANYTELCALL TO NEW YORK, AUGUST 30, 1979, NYTELCALL TO BUREAU, AUGUST 30, 1979 AND ALBANYTELETYPE TO NEW YORK, AUGUST 30, 1979.

ON AUGUST 30, 1979, ALBANY OFFICE ADVISED THAT

CONTACTED AUSA

FEDERAL DISTRICT OF VERMONT, BURLINGTON, VERMONT.

WISHED TO MAKE A STATEMENT REGARDING CAPTIONED CASE WHICH WOULD BE OF INTEREST TO FBI.  WANTED THIS STATEMENT TO BE MADE AUGUST 31, 1979 AT 9 AM AT BURLINGTON, VERMONT.

FOR INFO OF BUREAU,  IS SUBJECT IN CAPTIONED MATTER.

1 - NEW YORK  
 1 - SUPV. #M-2  
 1 - PROGRAM MANAGER

JFP:tb  
 (3)

Approved:

Transmitted

(Number)

(Time)

Per

HQ-1045  
 AL-1934

F B I

## TRANSMIT VIA:

- Teletype
- Facsimile
- \_\_\_\_\_

## PRECEDENCE:

- Immediate
- Priority
- Routine

## CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date \_\_\_\_\_

b6  
b7c

PAGE TWO NY 29-15128 UNCLAS

NYO REQUESTED TO BUREAU IS REFERENCED TELCALL THAT SA [REDACTED]

[REDACTED] CASE AGENT IN THIS MATTER AT NYO, TRAVEL TO BURLINGTON, VERMONT, AND TAKE STATEMENT AS HE IS KNOWLEDGEABLE OF MANY FACETS INVOLVED IN THIS INVESTIGATION. BUREAU ORALLY APPROVAL THIS REQUEST. SAC ALBANY AND NYO APPROVE OF TRAVEL.

SA [REDACTED] DEPARTED NYO 8:30 PM VIA COMMERCIAL AIRLINE EVENING OF AUGUST 30, 1979. NO FLIGHTS TO BURLINGTON AVAILABLE IN AM OF AUGUST 31, 1979.

BT

#

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_  
(Number) (Time)

Per \_\_\_\_\_

29-15128-4822

SEARCHED	INDEXED
SERIALIZED	FILED
APR 19 1970	
FBI - NEW YORK	

*[Signature]*



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

201 East 69th Street  
New York, New York 10021

In Reply, Please Refer to  
File No. NY 34-

Security Supervisor  
New York Telephone Company  
1095 Avenue of the Americas  
New York, New York 10036

Dear Sir:

In connection with an official investigation being conducted by this office, it is requested that you furnish listings for the following telephone numbers:

--

Unassigned

-b6 -  
b7c

Your personal attention in protecting the confidential nature of our inquiry to this matter is greatly appreciated, and I wish to express my thanks for your cooperation.

Very truly yours,

NETTIE WEICHE

Assistant Director

### Assistant Director in Charge

TRANSMIT VIA: Airtel

PRECEDENCE: \_\_\_\_\_

CLASSIFICATION: \_\_\_\_\_

DATE: 9/4/79

To: ADIC, New York (29-15128)

From: Director, FBI (29-85152)

[REDACTED] ET AL;

BF&amp;E; ITSP (A);

OO: NEW YORK

ReNYtelcal to the Bureau, 8/30/79, and NYtel to the Director, 9/1/79.

This is to confirm that Bureau authority was granted for SA [REDACTED] to travel to Burlington, Vermont, on 8/30/79 to conduct necessary investigation in this matter.

b6  
b7C

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29-15128-483

M-2	SEARCHED	INDEXED
	SERIALIZED	FILED
SEP 6 1979		
FBI/DOJ		

VZCZCHQ0892

RR MM NY

DE HQ 0021 2511552

29-15/18

ZNY EEEEE

R 080246Z SEP 79

FM DIRECTOR FBI (87-144975)

TO FBI MIAMI ROUTINE

FBI NEW YORK ROUTINE

BT

UNCLAS E F T O

MICHAEL BURNETT; ANNE SESSA - POSSIBLE VICTIM; DISAPPEARANCE OF \$150,000 WORTH OF STOCKS AND BONDS, FORT LAUDERDALE, FLORIDA, DECEMBER 19, 1977; ITSP (OO: MIAMI).

RE BERN AIRTEL, APRIL 17, 1979.

BY TELETYPE SEPTEMBER 7, 1979, LEGAT BERN ADVISED:

AT SUGGESTION OF LEGAT, [REDACTED]

[REDACTED] IS CANVASSING ALL THE CANTONS OF SWITZERLAND TO DETERMINE IF A BODY HAS BEEN FOUND WHICH MIGHT BE IDENTIFIABLE WITH PROBABLE VICTIM SESSA.

b7D

[REDACTED] ADVISED SEPTEMBER 6, 1979, THAT THE CANTON OF TESSIN HAS REPORTED FINDING ONE SUCH BODY.

29-15/18-484  
NO  
1373 b6 b7C

PAGE TWO DE HQ 0021 UNCLAS E F T O

LEAD:

MIAMI:

DETERMINE IF FINGERPRINTS, DENTAL CHARTS OR OTHER MEANS OF IDENTIFICATION ARE AVAILABLE REGARDING SESSA.

BT

0021

City New York, New YorkDate 8/7/79Request of Special Agent in Charge, FBI, New York, New York

[redacted] dollars, and [redacted] cents,

(\$ [redacted]), which money is to be paid by me on 8/1/79 and 8/2/79

to [redacted]

in connection with the case entitled [redacted]

[redacted] : ET AL; BE&amp;E; ITSP (A)

b6  
b7C  
b7E

Services: \$ [redacted]

Expenses: \$ [redacted]

b7E

Signed [redacted]

Special Agent [redacted]

Have payments been made by other Offices?  No  Yes (List Offices below)Authority (date) Buairtel, dated 8/14/72Period Covered by Payment 8/1/79 - 8/2/79Authorization Checked ✓Check Number 20628/13/79b6  
b7CDate of Actual Payment 8/1/79 and 8/2/79By Whom (see attached memo)Receipts Received ✓Voucher Prepared 8/27/79 Item 2

29-15128-186

On

Category File No. NY 29-15128Supv. Approved John J. Creane, Jr.

SAC

J  
FBI/DOJ

City New YorkDate 8/6/79Request of Special Agent in Charge, FBI,  dollars, and  cents,(\$ ), which money is to be paid by me on 8/3/79b6  
b7C  
b7Eto in connection with the case entitled et. al BF+E ; ITSP (29-15128)Services: \$ 

b7E

Expenses: \$ 

Signed

Special Agent

Have payments been made by other Offices?  No  Yes (List Offices below)Authority (date) Buairtel 8/14/72 8/3/79Period Covered by Payment 8/1 - 8/3/79Authorization Checked yesb6  
b7CCheck Number 2087 8/1/79Date of Actual Payment 8/3/79By Whom Myself (SA)Receipts Received yesVoucher Prepared 8/31/79 Item 229-15128-487Category BFile No. 29-15128Supv Approval John J. Salmer, Jr.Approved John J. Salmer, Jr.

FBI/DOJ

SAC II (29-15128)

8/14/79

SA [redacted] (M-2)

b6  
b7C

[redacted]  
ET AL  
BF & E; ITSP  
(OO:NY)

During the period [redacted]

[redacted]  
[redacted] telephone  
calls (local and long distance) were made by [redacted] and  
meetings with subjects were arranged. The meetings set up  
by [redacted]  
involved in major thefts of securities from several brokerage  
and clearing houses in the Greater NY area.

b6  
b7C  
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b7E

[redacted] The funds expended in securing this room at the  
[redacted] provided FBI, NY, with an adequate base for the  
coordination of this operation [redacted]

b7E

[redacted] On 8/7/79, FSA Unit advised the balance in the  
under SAC authority (Buairtel, 8/14/72) was [redacted]

Funds expended for the room at [redacted]  
in the amount of [redacted] were personally paid by SA [redacted]  
SA [redacted] It is requested that  
[redacted] be reimbursed in the amount of [redacted]

b6  
b7C  
b7E

GAM:cmw  
(3)

City New York  
 Date 8/13/79

Request of Special Agent in Charge, FBI, New York

[redacted] dollars, and [redacted] cents,

(\$ [redacted]), which money is to be paid by me on 8/10/79 b6  
 b7C  
 b7E

to [redacted]

in connection with the case entitled [redacted]

et al. BF+E ; ITSP

Services: \$ [redacted] b7E

Expenses: \$ [redacted]

Signed [redacted]  
 [redacted] Special Agent [redacted]

Have payments been made by other Offices?  No  Yes (List Offices below)

Authority (date) Buairtel 8/14/72 AND beauty 8/7/79

Period Covered by Payment 8/7 - 8/10/79

Authorization Checked 16

b6  
 b7C

Check Number 2086 8/12/79

Date of Actual Payment 8/10/79

By Whom SA [redacted]

Receipts Received Yes

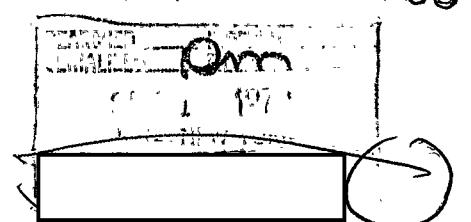
Voucher Prepared 8/31/79 Item 7

Category g

File No. 29-15128

Supv J. C. C. m. j.

Approved SAC



**SURVEILLANCE COVER SHEET**

b6  
b7c

DATE 8-16-79

**CASE CAPTION:**

ET AL.

00 : NY

29-15128

**SURVEILLANCE  
AGENTS ON DUTY:**

PHOTOGRAPHS TAKEN

LICENSE PLATES OBSERVED

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

4. \_\_\_\_\_ 5. \_\_\_\_\_ 6. \_\_\_\_\_

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**COPIES**

29-15128-489

PAGE 1 of 4

DATE 8-9-79DAY THURSDAYWEATHER CLEAR

PHOTO PHYSICAL

b6  
b7c

SURVEILLANCE WAS CONDUCTED IN THE

VICINITY OF 

, AT WHICH TIME

THE FOLLOWING OBSERVATIONS WERE NOTED:

TIME	INIT.	OBSERVATIONS
1 <sup>50</sup> / <sub>P</sub>	DPS	surveillance instituted 2 photos taken of <span style="border: 1px solid black; display: inline-block; width: 600px; height: 50px; vertical-align: middle;"></span> , <span style="border: 1px solid black; display: inline-block; width: 100px; height: 50px; vertical-align: middle;"></span> (frames 4-5)
2 <sup>05</sup> / <sub>P</sub>	DPS	A white male (#1) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 50px; vertical-align: middle;"></span> dark pants, glasses is observed approaching <span style="border: 1px solid black; display: inline-block; width: 600px; height: 50px; vertical-align: middle;"></span> 2 photographs taken (frames 6-7)
2 <sup>15</sup> / <sub>P</sub>	DPS	Another unknown white male (#2) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 50px; vertical-align: middle;"></span> hair, sports jacket, glasses is observed approaching and trying to enter <span style="border: 1px solid black; display: inline-block; width: 600px; height: 50px; vertical-align: middle;"></span> 1 photo taken (frame 8)
2 <sup>26</sup> / <sub>P</sub>	DPS	Two unknown males, one being <span style="border: 1px solid black; display: inline-block; width: 100px; height: 50px; vertical-align: middle;"></span> 1bs black hair, white shirt (referred to as #3) the other <span style="border: 1px solid black; display: inline-block; width: 100px; height: 50px; vertical-align: middle;"></span> slender, glasses, sports jacket, carrying a briefcase (referred to as #4) approach & attempt to enter <span style="border: 1px solid black; display: inline-block; width: 600px; height: 50px; vertical-align: middle;"></span> - photos taken (frames 9-18)

TIME	UNIT.	OBSERVATIONS
2 34/10	DPS	station wagon NY plates is observed proceeding south on York Ave passing [redacted]. Two white males observed inside - photo taken (frame 19)
2 35/10	DPS	Photo taken of an [redacted] sedan, containing two unknown white males, [redacted] observed parked on York Ave, North [redacted] and in front of Exxon service station (frame 20)
2 36/10	DPS	# 4 is observed waiting alone in front of [redacted] photos taken (frames 21 - 23)
2 37/10	DPS	# 4 is observed talking with SA [redacted] - photograph taken (frame 24)
2 38/10	DPS	The [redacted] sedan NY plate [redacted] is observed proceeding south on York Ave from parked spot in front of Exxon station photos taken (frames 25-28)
2 39/10	DPS	# 3 is picked up by unknown male driving

**- CONTINUED -**

## OBSERVATIONS

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TIME

282

## OBSEVATIONS

30%  
3%

DPS

photo taken : (frame 29)

surveillance is terminated

SA, FBI, NY, NY 8-16-79 -

PAGE 4 of 4

## FEDERAL BUREAU OF INVESTIGATION

8/21/79

Date of transcription \_\_\_\_\_

On [redacted] Special Agent [redacted] while positioned at the bar of the [redacted] New York City observed [redacted] also known as [redacted] sitting at a table in the restaurant which table was located in the southeast corner of the restaurant. At approximately 2:45 p.m. [redacted] was joined by a white male who was identified by Bureau Agents as [redacted] [redacted] had entered the restaurant through the [redacted] side of the hotel. At approximately 3:00 p.m. [redacted] exited the [redacted] and shortly thereafter returned with a white male identified as [redacted] and both individuals were seated with [redacted] At approximately 3:15 p.m. [redacted] exited the restaurant and at approximately 3:35 p.m. [redacted] and [redacted] exited the restaurant.

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Investigation on 8/9/79 at New York, New York File # NY 29-15128-490  
by SA [redacted] 13x1 Date dictated 8/15/79

## FEDERAL BUREAU OF INVESTIGATION

Washington, D. C. 20537

## REPORT

of the

LATENT FINGERPRINT SECTION  
IDENTIFICATION DIVISION

YOUR FILE NO. 29-4093 (P)  
 FBI FILE NO. 29-85152  
 LATENT CASE NO. B-66372

August 27, 1979

TO: SAC, Miami

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RE: [REDACTED]

dba FINANCIAL SERVICES, LIMITED  
 ST. VINCENT'S, BRITISH WEST INDIES;  
 UNSUB(S).;  
 BF&E; ITSP; FBW

REFERENCE: Letter 7/26/79  
 EXAMINATION REQUESTED BY: Miami  
 SPECIMENS: Two bond certificates, #R648 and #R649

The specimens were examined and seven latent fingerprints and one latent palm print of value were developed on certificate #R648 and one latent palm print of value was developed on certificate #R649.

The latent fingerprints are not identical with the fingerprints of [REDACTED] FBI [REDACTED] or eleven other individuals previously named in this case. The latent palm prints are not identical with the palm prints of [REDACTED] FBI [REDACTED] FBI [REDACTED] or

Michael Raymond, FBI #291498C. There are no palm prints here for the following previously named individuals in this case:

[REDACTED]	FBI	[REDACTED]
[REDACTED]	FBI	[REDACTED]
[REDACTED]	FBI	[REDACTED]

(Continued on next page)

Enc. (2)

2 - New York (29-15128) - Enc. (4)

29-15128-491

THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY

SAC, Miami

August 27, 1979

[REDACTED] FBI [REDACTED]  
[REDACTED] , FBI [REDACTED]  
[REDACTED] FBI [REDACTED]  
[REDACTED] FBI [REDACTED]  
[REDACTED] FBI [REDACTED]  
[REDACTED] born [REDACTED] in  
[REDACTED] New York, New York,  
Police Department [REDACTED]

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The specimens are enclosed. Copies of the specimens  
are enclosed for the New York Division, as requested.

29-15128-492  
10m 0m

Jan

## FEDERAL BUREAU OF INVESTIGATION

8/30/79

Date of transcription \_\_\_\_\_

On [redacted] at approximately 8:45 pm. Special Agent (SA) [redacted] entered a restaurant [redacted] [redacted] New York, New York [redacted] SA [redacted] positioned himself at the west end of the bar just to the left of [redacted] entrance of the restaurant.

At approximately 9:05 pm, SA [redacted] observed SA [redacted] enter the restaurant [redacted] Shortly thereafter. SA [redacted] observed [redacted] and SA [redacted] [redacted] enter the restaurant and proceed to the back dining room of the restaurant.

At approximately 9:30 the bar maid, whose name SA [redacted] had determined to be [redacted] took a telephone call from someone named, [redacted]. SA [redacted] immediately went to the phone and told the caller to hold. Subsequently, SA [redacted] called [redacted] to the phone. SA [redacted] overheard [redacted] refer to the caller as [redacted] and state that he, [redacted] would wait. [redacted] then returned to the back room.

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At approximately 9:40 pm SA [redacted] observed a white male entering the bar and closely scrutinizing each customer in the front area of the restaurant. This individual is described as follows:

Sex	Male
Approximate age	30 to 35
Race	White
Hair	Black/receding hairline
	light moustache
Eyes	Dark
Height	6 feet
Weight	180 pounds

Investigation on 8/23/79 at New York, New York File # NY 29-15128 -493  
 by SA [redacted] /mlg *JM* Date dictated 8/24/79  
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NY 29-15128

At approximately 9:55 pm, SA [redacted] observed two white males entering the restaurant. These individuals are described as follows:

Sex	Male
Approximate Age	30 to 35
Race	White
Hair	Blond
Eyes	Light
Height	5 feet 11 inches to 6 feet
Weight	175 pounds

The second individual is described as follows:

Sex	Male
Approximate Age	40
Race	White
Hair	Red/brown
Eyes	Light
Height	5 feet 7 inches
Weight	190 pounds

SA [redacted] observed subject number one slowly walk through the front area of the restaurant closely scrutinizing each customer. Subject number two proceeded to the rear of the restaurant and slowly turned and walked back down along the bar finally positioning himself to SA [redacted] immediate left. Subject number two then tapped SA [redacted] on the shoulder and asked if he, SA [redacted] knew the bar maid's name. SA [redacted] replied that her name was [redacted]. Subject number two then motioned to the bar maid saying, [redacted] "can I talk to you for a minute". When [redacted] came over to subject number two, SA [redacted] overheard him say to her "My name is [redacted] do you remember me? I'm [redacted] friend". [redacted] then acknowledged that she did remember. [redacted] then asked [redacted] if she had seen [redacted]. [redacted] stated that he was supposed to meet [redacted]. [redacted] replied that she had seen him but did not know where he had gone. [redacted] then stated that he had just spoken to [redacted] on the restaurant phone about a half hour earlier. [redacted] then stated that she did not know where the

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NY 29-15128

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[redacted] had gone but that [redacted] located at the center of the bar had, at first, taken the telephone call to which [redacted] had eventually responded. [redacted] stated that she believed [redacted] was with [redacted]

At approximately 10:15 SA [redacted] discreetly passed a message to SA [redacted] that the subject of the meeting had arrived in front and that someone should come up front to get him. At approximately 10:20 SA [redacted] observed SA [redacted] as he first met in the mens room with SA [redacted] and subsequently approached the individual standing to SA [redacted] left at the bar known to SA [redacted] as [redacted] SA [redacted] heard [redacted] say to [redacted] "Are you here to see [redacted]?" [redacted] then responded that he was not.

At approximatley 10:40 [redacted] approached the individual known to SA [redacted] as [redacted] SA [redacted] overheard [redacted] tell [redacted] that [redacted] was in the back room. SA [redacted] then heard [redacted] tell [redacted] that he had no intention of going into the back room to meet with the [redacted] because the [redacted] might want to do bad things to him. [redacted] then asked if he had seen the two gorillas who were with the [redacted] [redacted] added that if he were to go into the back room to meet with the [redacted] he, [redacted] would either end up dead or in handcuffs.

At approximatley 10:45 SA [redacted] observed [redacted] leaving the restaurant with SAS [redacted] and [redacted] hid himself against the wall at the corner of the bar so as not to be seen by [redacted] After [redacted] had exited the restaurant [redacted] stationed [redacted] at the window and [redacted] reported on the movements of [redacted] as the three approached their car and drove away together.

Between approximatley 10:00 pm and 11:15 pm SA [redacted] engaged in several conversations with [redacted] and also overheard two telephone calls made by [redacted] to two unsub.

NY 29-15128

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During the conversation [redacted] volunteered his last name to SA [redacted] stating that his full name was [redacted]. The first telephone call was made to an individual named [redacted]. The call was answered by an individual named [redacted] who then put [redacted] on the line. [redacted] was overheard telling [redacted] that [redacted] was there at the restaurant but that he had brought a lot of troops.

The second telephone call was made after [redacted] had departed. SA [redacted] overheard [redacted] tell an individual whose name SA [redacted] did not hear that if a [redacted] should call asking for [redacted] [redacted] should be told that [redacted] went into the city to meet someone. [redacted] told the individual on the phone that he, [redacted] would be out to see him later.

At approximatley 11:15 SA [redacted] left the restaurant and returned to [redacted]

## FEDERAL BUREAU OF INVESTIGATION

9/7/79

Date of transcription

[redacted] was interviewed by Bureau agents at his office in [redacted] and advised as follows:

[redacted] stated that in October, 1978, he was approached by [redacted] who claimed he had a client with \$1 million in bearer notes upon which [redacted] and his client wished [redacted] to collect. [redacted] identified his client as [redacted] stated that he later learned that [redacted] client also went by other names such as BURNETT, FENTON, and SOLNET.

[redacted] advised that upon meeting Mr. BURNETT, BURNETT requested that [redacted] fly to St. Vincent, West Indies, in order to meet an attorney named [redacted] an individual BURNETT claimed represented his, BURNETT's off shore bank.

[redacted] advised that he travelled to St. Vincents and had several discussions with [redacted] in early November, 1978. [redacted] stated that he and [redacted] discussed various aspects of the law suit.

[redacted] advised that things did not go well in St. Vincents. He stated that BURNETT never arrived and there was a hotel bill that was never paid. Furthermore, [redacted] gave [redacted] an expense check for \$1,979.80 which bounced. [redacted] presented the interviewing agents with a xeroxed copy of the check in question.

[redacted] stated that upon returning from St. Vincents on November 20, 1978, he contacted the DA's office in Manhattan to determine if Financial Services Bank Ltd., the off shore entity was in fact legitimate. [redacted] presented the interviewing agents with a copy of the transcript of a taped telephone conversation between himself and an individual named [redacted] of the DA's office in Manhattan.

Investigation on 8/31/79

File # NY 29-15128 -494

by SA [redacted] /mlg *Heim* Date dictated 9/4/79b6  
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NY 29-15128

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[redacted] stated that he next heard about the bearer bond transaction in May, 1979, when he was contacted by [redacted] told him that BURNETT was around again and was interested in pursuing the civil suit again. [redacted] stated that [redacted] gave him \$5,000 and promised to deliver more.

[redacted] stated that in August, 1979, he was contacted by BURNETT and a meeting was arranged at LaGuardia Airport. [redacted] stated that [redacted] arrived late to this meeting and BURNETT had still not arrived. [redacted] stated that [redacted] appeared to be "shaken" over something and at one point told [redacted] that BURNETT was in trouble and needed to collect rapidly on the Nassau bonds.

[redacted] advised that eventually BURNETT arrived at the meeting and brought with him as a driver or body guard a burly looking fellow who [redacted] stated looked like a Secret Service man. [redacted] stated that at the LaGuardia meeting a strange thing occurred. BURNETT admitted to [redacted] that he (BURNETT) had a criminal record.

[redacted] stated that during the LaGuardia meeting he realized that something was wrong and requested that BURNETT meet him in Washington, D.C. [redacted] advised that he had some attorney friends there who he wanted to look BURNETT over. BURNETT never showed in Washington, D.C. the following week.

[redacted] advised that the most significant events occurred over the past week which he now wished to formally report to the FBI. These events occurred as follows:

[redacted] stated that on Monday morning, August 27, 1979, while at [redacted] received a telephone call from [redacted] [redacted] told [redacted] that he wished to meet and talk. Approximately 15 or 20 minutes later, an individual identifying himself as [redacted] called to say Mr. BURNETT would be calling later on. [redacted] stated that he, [redacted] told [redacted] that he, [redacted] had been contacted by the Justice Department regarding financial

NY 29-15128

Services Bank Ltd.

[redacted] advised that on Monday evening, [redacted] came to the Holiday Inn to ask [redacted] to represent him. [redacted] advised that [redacted] told him some things that were extremely incriminating to both [redacted] and BURNETT. [redacted] then advised the interviewing agents that since the information incriminating to [redacted] was told to him by [redacted] in an Attorney client situation, he, [redacted] would not be able to reveal this information. However, [redacted] stated that [redacted] told him with regards to BURNETT that he, BURNETT, was planning to jump bail. Furthermore, [redacted] said that he had seen BURNETT with a large sum of money and that BURNETT intended to use his (BURNETT's) off shore bank to launder notes. [redacted] stated unequivocally that he did not know the Nassau bonds were stolen until this meeting with [redacted]

[redacted] advised that on Tuesday morning, August 28, 1979, he received a call from BURNETT and a luncheon meeting was arranged. Later that afternoon BURNETT and his driver picked [redacted] up at the Holiday Inn in Bridgeport, Connecticut and drove him to an Italian Restaurant far on the outskirts of town. [redacted] stated that he, [redacted], was frightened. [redacted] advised that over lunch BURNETT made some very strange statements. BURNETT first asked [redacted] what the story was with the Feds. [redacted] then told BURNETT that his friends in the United States Attorneys (USA's) Office had told him of an investigation. [redacted] stated that he did this only to determine BURNETT's intentions and whether or not BURNETT's intentions were legal. [redacted] stated that he had never, in fact, spoken to anyone in the USA's office.

[redacted] advised that BURNETT then told him that he (BURNETT) was indebted to [redacted] for working out the "Iranian Connection". [redacted] stated that he did not know what BURNETT meant by this but assumed that [redacted] had, in some way, thought up a scheme to launder Iranian paper. [redacted] stated that at this point he wanted to leave because he was so frightened. However, [redacted] was seated

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at the bar and, therefore, [redacted] felt he must "play along" with BURNETT.

[redacted] stated that another strange thing that BURNETT said was that he, BURNETT, was a thief. Furthermore, BURNETT asked him how the scheme was going to work. Also, BURNETT asked [redacted] if he, [redacted] wanted to handle future transactions. [redacted] told BURNETT that they would talk about it some time in the future. [redacted] advised that at that point he was extremely frightened and would say anything to get away from BURNETT and his driver.

Some other "strange" comments [redacted] recalls BURNETT having made are as follows:

BURNETT stated that he wanted to meet with [redacted] [redacted], look him straight in the eye, tell him that he, BURNETT, is a thief; that the notes are stolen, and that he, [redacted] must forget that he, BURNETT, is alive.

BURNETT stated that he wished to know from [redacted] what kind of witness he needed. [redacted] stated that he told BURNETT that a bank officer of Financial Services Bank Ltd. was needed. BURNETT told [redacted] he had a taxi cab driver who could be a witness.

BURNETT also asked [redacted] what the steps were to keep this process clean. [redacted] advised that he was so frightened that he told BURNETT that there was a list of 25 steps that needed to be covered in [redacted] file in St. Vincents. [redacted] advised that this, in fact, was not true.

[redacted] stated that at the end of the luncheon he and BURNETT returned to the car. BURNETT's driver was already in the car. On the way back to the Holiday Inn [redacted] became more involved with the conversation than he had been earlier.

[redacted] noted that [redacted] seemed to have an extensive interest in the Freedom of Information Act.

Furthermore, [redacted] stated that he had a friend who used to work for [redacted]

[redacted] advised that on Tuesday evening, August 28, 1979, he received a telephone call from [redacted] [redacted] told him that he, [redacted] was meeting with BURNETT on Wednesday, at 12:00 noon. [redacted] also said he was going to pick up [redacted] fee from BURNETT. [redacted] then told [redacted] to pick up the money from BURNETT but not to leave New York with the money. [redacted] stated that he told [redacted] he, [redacted] would come to [redacted] stated that for some reason BURNETT wanted [redacted] to take the money to St. Vincent and then wire the money up to [redacted] from St. Vincent.

[redacted] advised that on Wednesday at exactly 1:30 pm (give or take five minutes) he received a telephone call from [redacted] During this conversation [redacted] told [redacted] that he, [redacted] was with BURNETT, that he, [redacted] had seen the money, but BURNETT would not give it to him unless he, [redacted] took it to St. Vincent. [redacted] advised that he told [redacted] to "forget it" and then said good-bye.

[redacted] advised that on Wednesday evening he called [redacted] to find out what had occurred. During that telephone conversation [redacted] told [redacted] that he, [redacted] had been approached by Treasury Agents in BURNETT's room at the Westbury Hotel. [redacted] further stated that BURNETT was a Treasury Agent and that [redacted] had served him, [redacted] with a subpoena.

SA [redacted] then asked [redacted] if he had ever heard of any of the following names:

[redacted]  
[redacted] and [redacted]

NY 29-15128

[redacted] stated that all except [redacted] were totally unfamiliar to him. [redacted] stated that had heard the name [redacted] mentioned to him by BURNETT during his Tuesday luncheon with BURNETT in Connecticut. [redacted] stated that that was the first and only time he had ever heard of that name.

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[redacted] further advised that at the luncheon in Connecticut and on other occasions, it had been suggested to him by BURNETT and [redacted] that the Attorney General of St. Vincents was on their payroll. [redacted] could not recall the Attorney General's name but stated that BURNETT had mentioned bribing the Attorney General with boats and women. [redacted] stated that he recalled once meeting the Attorney General's wife while in St. Vincents.

At the conclusion of the interview [redacted] was served by SA [redacted] with a Federal Grand Jury subpoena. [redacted] asked SA [redacted] if he was appearing as a witness or target of the investigation. SA [redacted] advised [redacted] that he should discuss that matter with Assistant United States Attorney (AUSA) [redacted] Southern District of New York (SDNY). In addition, [redacted] furnished SA [redacted] with an original letter, dated June 20, 1979, on Financial Services Bank Ltd. stationary, signed [redacted]. SA [redacted] advised [redacted] that the FBI wanted the letter for fingerprint analysis. [redacted] agreed.

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## FEDERAL BUREAU OF INVESTIGATION

9/4/79  
Date of transcriptionb6  
b7C

On August 27, 1979, Special Agent [redacted]  
[redacted] acting in an undercover capacity, telephonically contacted  
[redacted] at the Office of [redacted]  
Connecticut. Special Agent [redacted] identified himself as the  
driver for MICHAEL BURNETT, and told [redacted] that BURNETT was  
tied up at the moment but would like to arrange to meet [redacted]  
the next day in Bridgeport. [redacted] stated he would be amenable  
to meeting BURNETT and asked that a message be relayed to BURNETT.  
[redacted] stated that "a new development has occurred that gives  
this matter some urgency" and that some representatives of  
[redacted] former office had expressed an interest in the mat-  
ter. [redacted] then stated that the information was more to BURNETT's  
benefit than to his [redacted]. Special Agent [redacted] replied  
that he would relay the message and the conversation was terminated.

Investigation on 8/27/79 at New York, New York File # NY 29-15128-495  
SA [redacted] mam Date dictated 8/30/79

by \_\_\_\_\_ Date dictated \_\_\_\_\_

## FEDERAL BUREAU OF INVESTIGATION

9/7/79

Date of transcription

On August 30, 1979, Special Agent (SA) [redacted] telephonically contacted [redacted] at [redacted]. SA [redacted] advised [redacted] that it was his opinion that [redacted] may have made a serious mistake in contacting [redacted] and advising him of the Federal Bureau of Investigation (FBI) investigation which [redacted] had learned of one day earlier. SA [redacted] warned [redacted] that if he should inform too many of the wrong people he would lose any opportunity to help himself.

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[redacted] advised that after leaving the hotel room the afternoon before (August 29, 1979) he had attempted to contact "the people downtown" in order to call off the meeting, but was unsuccessful. [redacted] stated that he had thought about what SA [redacted] had said about "burning his bridges" and that he had not yet spoken with his attorney but that he had 3:00 pm appointment that day. [redacted] stated that he would get back to SA [redacted] as soon as possible with his decision.

Investigation on 8/30/79 at New York, New York File # NY 29-15128-496

by SA [redacted] /mlg  Date dictated 9/4/79

FBI

TRANSMIT VIA:  Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:  Immediate  
 Priority  
 Routine

CLASSIFICATION:  TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 9/14/79

FM NEW YORK (29-15128) (P) (M-2)  
 TO DIRECTOR (29-85152) IMMEDIATE  
 BT  
 UNCLAS

[REDACTED] ET AL, BF&E, ITSP (A), OO: NEW YORK.

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REBUREAU AIRTEL TO NEW YORK, JULY 31, 1979, NYTELCAL TO BUREAU,  
 SEPTEMBER 14, 1979 AND BUTELCAL TO NEW YORK, SEPTEMBER 14, 1979.

EMERGENCY AUTHORITY IS REQUESTED TO UTILIZE AN ELECTRONIC  
 DEVICE TO MONITOR AND/OR RECORD [REDACTED]

[REDACTED] AND OTHERS YET UNKNOWN;

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MEETINGS ANTICIPATED TO BEGIN ON [REDACTED]

CAPTIONED MATTER INVOLVES THE THEFT OF APPROXIMATELY  
 \$3.5 MILLION IN SECURITIES FROM VARIOUS BROKERAGE AND CLEARING  
 HOUSES IN THE WALL STREET AREA.

IN [REDACTED]

[REDACTED] LED TO INFORMATION REGARDING THE EXISTENCE  
 OF TWO INDEPENDENT ORGANIZED CRIME GROUPS WHO WERE RESPONSIBLE  
 FOR A MAJOR PORTION OF STOLEN SECURITIES TRAFFIC OUT OF THE

1 NEW YORK  
 1-SUPERVISOR M-2  
 1-PROGRAM MANAGER, ADIC

GAM:dap  
 (3)

SEARCHED INDEXED  
 SERIALIZED FILED  
 SEP 16 1979  
 2103

b6  
b7CApproved: *[Signature]*Transmitted \_\_\_\_\_  
 (Number)

18

Oma

FBI

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:  
 Immediate  
 Priority  
 Routine

CLASSIFICATION:  
 TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

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PAGE TWO UNCLAS

WALL STREET AREA. [REDACTED] STATED THAT ONE GROUP OPERATES OUT OF MANHATTAN AND THE OTHER OUT OF CORONA, QUEENS.

[REDACTED] FURNISHED THE NAMES OF [REDACTED] AND [REDACTED]  
[REDACTED] AND IDENTIFIED THESE INDIVIDUALS [REDACTED]  
[REDACTED] ALSO FURNISHED THE NAMES [REDACTED]  
[REDACTED] AND [REDACTED] AKA [REDACTED] IN THE

GROUP THAT OPERATES OUT OF MANHATTAN, AND MICHAEL ANTHONY LEONE, AKA "MIKE CONTI", AS THE KEY FIGURE IN THE GROUP OPERATING OUT OF THE CORONA AREA OF QUEENS, NEW YORK.

IN RENYTEL TO THE BUREAU, DATED JULY 27, 1979, NEW YORK SET OUT AS A MAJOR OBJECTIVE IN UTILIZING AN ELECTRONIC RECORDING DEVICE [REDACTED] THE OBTAINING OF INCRIMINATING EVIDENCE AGAINST [REDACTED]

ON SEPTEMBER 7, 1979, [REDACTED] APPEARED WITH HIS ATTORNEY AT THE OFFICE OF AUSA [REDACTED] SDNY, [REDACTED]  
[REDACTED] THE TERMS ARE AS FOLLOWS:  
[REDACTED] WILL PLEAD GUILTY TO [REDACTED]  
THAT IS, [REDACTED]

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_  
(Number) (Time)

Per \_\_\_\_\_

FBI

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

b6  
b7C  
b7D  
b7E

PAGE THREE UNCLAS

[REDACTED] IN RETURN FOR THIS CONSIDERATION [REDACTED]

[REDACTED] WITH CAPTIONED INVESTIGATION. [REDACTED]

[REDACTED] COOPERATION

WILL CONSIST OF ARRANGING AND PARTICIPATING IN CONSENTRALLY MONITORED MEETINGS AND PHONE CONVERSATIONS WITH VARIOUS ORGANIZED CRIME FIGURES, SUCH AS, [REDACTED]

[REDACTED] MUST ALSO TESTIFY

IN ANY RESULTING COURT PROCEEDINGS SUBSEQUENT TO THESE MEETINGS AND CONVERSATIONS.

IT IS NOTED THAT ADDITIONAL BENEFITS OF UTILIZING [REDACTED] CAN BE OBTAINED IN THE FORM OF INFORMATION CONCERNING THE IDENTITIES OF INDIVIDUALS INSIDE THE NEW YORK BROKERAGE HOUSES THAT HAVE SUSTAINED LOSSES IN CAPTIONED MATTER. [REDACTED] HAS ADVISED THAT [REDACTED] HAS IN THE PAST DESCRIBED HIS

SOURCE TO [REDACTED] AS AN [REDACTED] FELLOW NAMED [REDACTED] WHO HAS

[REDACTED] ALLEGEDLY WORKS

IT IS FURTHER NOTED THAT IT IS PROBABLE [REDACTED] AND [REDACTED] WILL HAVE TO WORK TOGETHER [REDACTED]

[REDACTED] IN ORDER

TO SECURE THE RECOVERY OF A SUBSTANTIAL AMOUNT OF THESE

FBI

TRANSMIT VIA:

 Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

 Immediate  
 Priority  
 Routine

CLASSIFICATION:

 TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE FOUR UNCLAS

STOLEN SECURITIES. IN VIEW OF [redacted]

b6  
b7C  
b7D  
b7E

[redacted] APPROPRIATE SECURITY WILL BE

AFFORDED ANY "BUY BUST" SITUATION BY NYO AGENTS.

FACTS OF THIS MATTER HAVE BEEN DISCUSSED WITH AUSA

[redacted] SDNY, WHO HAS ADVISED THAT HE SEES NO PROBLEMS  
OF ENTRAPMENT IN UTILIZATION [redacted]NEW YORK WILL INSURE THAT [redacted] PROPERLY EXECUTES  
APPROPRIATE FD-472 AND FD-473 PRIOR TO COMMENCEMENT OF ANY  
MEETINGS OR CONVERSATIONS.

ADIC FULLY CONCURS WITH THIS NEW YORK OPERATION.

BT

#

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
(Number) (Time)

FBI

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

03

Date 9/15/79

FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) ROUTINE

b6  
b7C

BT

U N C L A S

[REDACTED] ET AL, BF &amp; E; ITSP (A), OO: NEW YORK.

REFERENCE NEW YORK TELETYPE TO BUREAU, DATED JULY 27, 1979;  
REFERENCE BUREAU AIRTEL TO NEW YORK, DATED JULY 31, 1979.AUTHORITY FOR AN ADDITIONAL [REDACTED] IS REQUESTED TO  
UTILIZE AN ELECTRONIC DEVICE TO MONITOR AND/OR RECORD [REDACTED]  
[REDACTED]CAPTIONED MATTER INVOLVES THE THEFT OF APPROXIMATELY 3.5  
MILLION DOLLARS IN SECURITIES FROM VARIOUS BROKERAGE AND  
CLEARING HOUSES IN THE WALL STREET AREA OF NEW YORK.b6  
b7C  
b7D  
b7E

IN [REDACTED]

LED TO INFORMATION REGARDING THE IDENTITIES OF VARIOUS NEW YORK

① - NEW YORK  
1 - SUPERVISOR M-2GM:pg  
(2) ps<sup>m-2</sup>

29-15128-498

R-

Approved: M. J. [Signature] 30Transmitted \_\_\_\_\_  
(Number) 1655 (Time)Per J. J. [Signature]b6  
b7C

FBI

TRANSMIT VIA:

- Teletype  
 Facsimile  
 \_\_\_\_\_

- PRECEDENCE:  
 Immediate  
 Priority  
 Routine

CLASSIFICATION:

- TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

b6  
b7C  
b7D  
b7E

PAGE TWO U N C L A S

ORGANIZED CRIME FIGURES AS WELL AS WHITE COLLAR MIDDLEMEN UTILIZED BY THESE ORGANIZED CRIME FIGURES IN CONNECTION WITH CAPTIONED SECURITIES THEFTS. IN ADDITION TO FURNISHING THIS INFORMATION, [REDACTED] IN ORDER TO CORROBORATE THESE STATEMENTS AND TO TESTIFY IN ANY RESULTING COURT PROCEEDINGS.

IN AN OPERATION [REDACTED]

[REDACTED] IN CONSENSUALLY MONITORED MEETINGS WITH [REDACTED]

[REDACTED] (AUTHORITY GRANTED BY BUREAU AIRTEL DATED JULY 31, 1979), DIRECT INCRIMINATING EVIDENCE WAS SUCCESSFULLY OBTAINED BY THE NYO. THE OBTAINING OF THIS INCRIMINATING EVIDENCE HAS RECENTLY RESULTED IN [REDACTED]

[REDACTED] IN SUBSEQUENT DEBRIEFINGS OF [REDACTED] WHO HAS AGREED TO PLEAD GUILTY [REDACTED] IT HAS BEEN DETERMINED THAT A STRONG POSSIBILITY EXISTS THAT A SUBSTANTIAL AMOUNT OF STOLEN SECURITIES CAN BE RECOVERED IN A "BUYBUST" SITUATION UTILIZING [REDACTED]

[REDACTED] THE MAIN TARGET OF SUCH A "BUST" [REDACTED]

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_  
(Number) (Time)

Per \_\_\_\_\_

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:  
 Immediate  
 Priority  
 Routine

CLASSIFICATION:  
 TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

b6  
b7C  
b7D  
b7E

PAGE THREE U N C L A S

[REDACTED] WHO [REDACTED] HAS ADVISED HAS ACCESS TO SUBSTANTIAL QUANTITIES OF STOLEN PAPER.

IN REFERENCED NEW YORK TELETYPE TO THE BUREAU, DATED JULY 27, 1979, NEW YORK RECOGNIZED THE NECESSITY FOR TIGHT SECURITY WITH REGARDS TO [REDACTED]

[REDACTED] APPROPRIATE MEASURES WILL BE TAKEN BY THE NYO TO [REDACTED]

FACTS OF THIS MATTER HAVE BEEN FULLY DISCUSSED WITH AUSA [REDACTED] SDNY, WHO HAS ADVISED THAT HE SEES NO PROBLEMS WITH ENTRAPMENT [REDACTED]

ADIC FULLY CONCURS WITH THIS NEW YORK OPERATION.

BT

#

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_  
(Number)Per \_\_\_\_\_  
(Time)

UNITED STATES GOVERNMENT

# Memorandum

CONTROL # NYCM 343

b6  
b7C

TO : SAC I (ATTN: SUPV., #14)

DATE: 9/17/79

FROM : SA

SECTION M-2

SUBJECT: CONSENSUAL MONITORING

ReBuairtel to all offices, 6/8/77, captioned  
"MICROPHONE AND TELEPHONE SURVEILLANCES".

CASE CAPTIONED

b6  
b7C

et al

NYFILE 29-15128 BUFILE 29-88152 Authority/Date 9/14/79

DESCRIPTION: Stolen Securities Matter

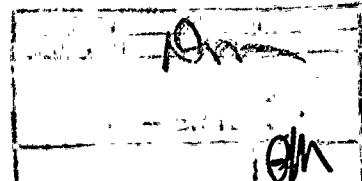
ELSUR CARDS SUBMITTED \_\_\_\_\_, \_\_\_\_\_  
(Date) (Initials)

ALL OVERHEARS RELATING TO THIS AUTHORITY AND CONSENSUAL  
MONITORING MUST BE INDEXED FOR NEW YORK "ELSUR" INDICES.

- 1- New York (66-7968) (Section 14) (Blue)
- 1- Case File (Pink)
- 1- J U N E UNIT (Yellow)
- 1- Supervisor or Substantive Desk (Green)
- 1- SAC \_\_\_\_\_ (White)

29-15128-499

JKK:MAR



5010-110

City New York New YorkDate August 27, 1979

Request of Special Agent in Charge, FBI

dollars, and

cents,

(\$  ), which money is to be paid by me onAugust 8, 1979b6  
b7C  
b7D  
b7Eto  in connection with the case entitled *St. Al*Services: \$ Expenses: \$ Signed   
Special AgentHave payments been made by other Offices?  No  Yes (List Offices below)Authority (date) 8/7/79 BrauertPeriod Covered by Payment 8/8/79b6  
b7CAuthorization Checked ✓Check Number 2162 9/5/79Date of Actual Payment 8/8/79By Whom Receipts Received CRAVoucher Prepared 8/26/79 Item 2Category FFile No. 29-15128*29-15128-500*

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 2 1979	
FBI - NEW YORK	

*John J. Creamer, Jr.*
Approved SAC

August 27, 1979

SA [redacted]

M 2

[redacted]  
ET AL

BF&E ITSP  
SAC DIVISION II

On August 8, 1979 the following expenses were incurred in connection with official investigation of the captioned matter:

[redacted] Luncheon for two Agents  
observing a meeting.....  
[redacted] Gratuity for above.....

Receipt for meal is attached. Under the circumstances it was not feasible to obtain a receipt for the tip.

Reimbursement is requested under authority granted in Bureau airtel dated 8/14/79. The balance in the case fund is currently [redacted]

9/21/79  
(Date)NY, NY  
(Location)I, [REDACTED],  
(Name)[REDACTED]  
(Address)

hereby authorize [REDACTED]

b6  
b7C  
b7D  
b7E

, Special Agent of the

Federal Bureau of Investigation, United States Department of Justice, to place a

Body Recorder      on my person for the purpose of recording any conversations  
 Transmitter

with [REDACTED]  
(Name of Subject(s))which I may have on or about [REDACTED]  
(Date)

I have given this written permission to the above-named Special

Agents voluntarily and without threats or pr

[REDACTED]  
(Signature)b6  
b7CW<sup>ses:</sup>

SA, R, NY, NY

29-15128-500A

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 21 1979	
FBI - NEW YORK	

*[Handwritten signatures and initials over the stamp]*

9/21/79  
(Date)NY, NY  
(Location)I, [REDACTED]  
(Name)

[REDACTED] (Address)

authorize [REDACTED] , hereby [REDACTED]

b6  
b7C  
b7E

, Special Agents of the

Federal Bureau of Investigation, United States Department of Justice, to install a

recording device on a telephone located at [REDACTED]

NY, NY  
(Location)

for the purpose of recording any conversation I may have on that telephone with

[REDACTED] on or about [REDACTED]

(Date)

I have given this written permission to the above-named Special  
Agents voluntarily, and without threats or promises

(Signature)

b6  
b7C

W

SA, FBI, NY, NY

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 21 1979	
FBI - NEW YORK	

29-15128-500B

*[Handwritten signatures and initials over the stamp]*

City NY, NYDate 9/11/79New York

Request of Special Agent in Charge, FBI,

[redacted] dollars, and [redacted] cents,

(\$ [redacted]), which money is to be paid by me on [redacted]

to [redacted] b6

in connection with the case entitled [redacted] b7C

et al. [redacted] b7E

Services: \$ [redacted] b7E

Expenses: \$ [redacted]

Signed [redacted]

Have payments been made by other Offices?  No  Yes (List Offices below)Authority (date) 8/7/79 (Bnsirte)Period Covered by Payment 8/1 - 8/31/79Authorization Checked ✓Check Number 2265 9/19/79

Date of Actual Payment [redacted] b7E

By Whom [redacted]

Receipts Received NOVoucher Prepared 9/26/79 Item 2129-15128-501

Category

File No. 29-15128

Supv -

Approved John W. Dalton

SAC

b6  
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 21 1979	
FBI - NEW YORK	
[redacted]	

FBI/DOJ

SAC (29-15128)

9/13/79

SA [redacted] (M-2)

b6  
b7C  
b7D  
b7E

[redacted]  
ET AL  
BF & E; ITSP  
(OO:NY)

During the period [redacted]

aka [redacted]

[redacted] From [redacted] telephone calls  
(local and long distance) were made [redacted] meetings  
with subjects arranged. The meetings [redacted]  
related to his dealings with various subjects involving  
major theft of securities from several brokerage and clear-  
ing houses in the greater New York area..

[redacted]  
[redacted]  
[redacted] Sum total of funds  
expended to date is [redacted]

Inasmuch as emergency funds for this operation  
in the amount of [redacted] were originally provided by SAC II,  
and since [redacted] in expenses have already been refunded by  
FSA for the same purposes as stated above, it is requested  
that the additional [redacted] be refunded through the SFA to  
the case agent, who will then refund SAC II.

On 9/7/79, FSA Unit advised that the balance  
in [redacted] fund under SAC authority (Buairtel, 8/7/79)  
was [redacted]

GAM:mlg  
(3)

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/10/79

At approximately [redacted] while positioned in a Federal Bureau of Investigation (FBI) vehicle on 69th Street at the corner of Madison Avenue, New York City Special Agents [redacted]

[redacted] and [redacted] observed a white male identified as [redacted] standing on the northeast corner of 69th Street and Madison Avenue. [redacted] appeared to be in the company of another white male who is described as being [redacted] foot tall and wearing a salmon colored pinstriped suit, a beige hat and carrying a briefcase. Both individuals were gazing around as if they were looking for someone. After a few minutes both individuals left this location proceeding in different directions and visual contact with these individuals was terminated.

b6  
b7C

Investigation on 18/29/79 at New York, New York File # NY 29-15128 - 502  
SAS [redacted] COAID  
by [redacted] JTAP/jx1 Date dictated 9/4/79

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/10/79

On [redacted] at approximately [redacted] while walking to [redacted] New York City observed [redacted] walking east [redacted] turned north [redacted] as Special Agent [redacted] entered the [redacted] and proceeded to the elevator in the hotel lobby. As Special Agent [redacted] waited for the elevator [redacted] was observed entering [redacted] After entering the restaurant [redacted] stood inside the door and gazed around as if he were looking for someone. Special Agent [redacted] then entered the elevator at which time contact with [redacted] was terminated.

b6  
b7C

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Investigation on 8/29/79 at New York, New York File # NY 29-15128-503by SA [redacted] WJX1 Date dictated 9/4/79

## FEDERAL BUREAU OF INVESTIGATION

b6  
b7C  
b7D  
b7E

9/12/79

Date of transcription

On [redacted] Special Agents (SAS) [redacted] and [redacted] were positioned in a Federal Bureau of Investigation (FBI) vehicle at [redacted] parking lot at exit 27 of Interstate 95 in Bridgeport Connecticut to observe a meeting between [redacted] also known as [redacted] and [redacted]. Also present was SA [redacted] and SA [redacted] arrived at [redacted] and SA [redacted] and SA [redacted] waited with this vehicle while [redacted] entered [redacted] lobby returning with [redacted] at approximately [redacted]

At this time SAS [redacted] and [redacted] proceeded to the [redacted] Connecticut and positioned themselves in a shopping center parking lot just north of the restaurant. At approximately [redacted] PM the vehicle containing [redacted] and SA [redacted] was observed entering the restaurant parking lot at which time all three individuals exited this vehicle and entered [redacted]. At approximately [redacted] PM SA [redacted] exited the restaurant and entered the green Buick. At approximately [redacted] PM [redacted] exited the restaurant and entered the vehicle with SA [redacted] at which time SA [redacted] drove from the restaurant parking lot and proceeded east towards Bridgeport, Connecticut. SAS [redacted] and [redacted] followed SA [redacted] vehicle as they returned to the [redacted] in Bridgeport. SA [redacted] vehicle arrived at the [redacted] at approximately [redacted] PM at which time [redacted] exited the vehicle and SA [redacted] left the [redacted] parking lot. At this time the surveillance was terminated.

b6  
b7C

Investigation on 8/28/79 at Bridgeport, Connecticut File # NY 29-15128

by SAS [redacted] and [redacted] TAP:jml Date dictated 9/5/79

UNITED STATES GOVERNMENT

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

# Memorandum

TO : SAC (29-15128) (P)

DATE: 9/21/79

FROM : SUPV. [REDACTED] (M-2)

SUBJECT: [REDACTED];

ET AL  
BF&E (A)

b6  
b7C  
b7D  
b7E

On 9/19/79, Bureau Supervisor [REDACTED] telephonically advised SA [REDACTED] that emergency authority has been extended for the utilization of a recording and/or monitoring device [REDACTED] captioned matter.

[REDACTED] stated that it was not necessary to followup this telephonic communication with any immediate teletype or other request, as the previous request submitted 9/14/79, would suffice.

JFP:cmw  
(1)

29-15128-505

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 24 1979	
FBI - NEW YORK	

*[Handwritten signatures and initials over the stamp]*



TRANSMIT VIA: AIRTEL

PRECEDENCE: \_\_\_\_\_

CLASSIFICATION: \_\_\_\_\_

DATE: September 25, 1979

To: ADIC, New York (29-15128)

From: Director, FBI (29-85152)

[REDACTED]  
ET AL;  
BF&E; ITSP (A)

ReNYtel to the Director, 9/15/79, and Butelcal to New York on 9/19/79 and 9/21/79.

Approval was obtained on 9/21/79, from [REDACTED] for the use of a body recorder and/or transmitter [REDACTED] for a period of [REDACTED]

[REDACTED] Emergency authority was granted by FBIHQ on 9/19/79.

Insure Bureau equipment is afforded appropriate security and keep Bureau advised of pertinent developments.

You are requested to submit a letter at the completion of the [REDACTED] authorizing use of the body recorder and/or transmitter in this matter showing whether the body recorder:

Comment specifically concerning any of the above points that are applicable.

(Do not type below this line.)

89-15128-505

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1979	
FBI-NEW YORK	

b6  
b7C

*M.J.*

(This line for LEFT MARGIN.)

(Do not type BEYOND THIS MARGIN.)

Airtel to ADIC, New York  
RE: [redacted]

b6  
b7C  
b7E

In the event it will be necessary to renew this [redacted] request and justification should be submitted five work days prior to termination of your present authority.

In addition, you should insure that all persons identified as having been monitored, are suitably included in the field office and FBIHQ ELSUR indices, commensurate with existing instructions as outlined in Bureau airtels to all offices dated April 12, 1977, June 8, 1977, and October 21, 1977, entitled "Microphone and Telephone Surveillances." Strict administrative controls must be established to insure these requirements are met.

UNITED STATES GOVERNMENT

# Memorandum

CONTROL # NYCH 344

TO : SAC I (ATTN: SUPV., #14)

DATE: 9/20/79

FROM : SA [redacted]

SECTION M-2

SUBJECT: CONSENSUAL MONITORING

b6  
b7C

ReBuairtel to all offices, 6/8/77, captioned  
"MICROPHONE AND TELEPHONE SURVEILLANCES".

CASE CAPTIONED [redacted]

et al.

NYFILE 29-15128 BUFILE 29-85152 Authority/Date 9/19/79

DESCRIPTION: Stolen Securities Matter

ELSUR CARDS SUBMITTED \_\_\_\_\_, (Date) \_\_\_\_\_, (Initials)

ALL OVERHEARS RELATING TO THIS AUTHORITY AND CONSENSUAL  
MONITORING MUST BE INDEXED FOR NEW YORK "ELSUR" INDICES.

- 1- New York (66-7968) (Section 14) (Blue)
- 1- Case File (Pink)
- 1- J U N E UNIT (Yellow)
- 1- Supervisor or Substantive Desk (Green)
- 1- SAC (White)

JKK:MAR



29-15128

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 24 1979	
FBI—NEW YORK	

City New YorkDate Aug 23, 1979Request of Special Agent in Charge, FBI, New York

[redacted] dollars, and [redacted] cents  
 (\$ [redacted]), which money is to be paid by me on Aug 23, 1979  
 to [redacted]  
 in connection with the case entitled 29-15128; [redacted] AKA  
Et al (BFE)

b6  
b7C  
b7D  
b7E

Services: \$ [redacted]

Expenses: \$ [redacted]

Signed

Special Agent

Have payments been made by other Offices?  No  Yes (List Offices below)Authority (date) 8/21/79 BuairtPeriod Covered by Payment 8/23/79Authorization Checked 144Check Number 2189 9/1/79Date of Actual Payment 8/23/79By Whom SA [redacted]Receipts Received 70Voucher Prepared 9/24/79 Item 14Category 7File No. 29-15128Approved John W. DaleySupt.  
SAC-2SEARCHED John  
SERIALIZED John  
INDEXED John  
FILED John

29-15128-548

DATE: Aug 24 1979  
REPLY TO ATTN OF: SA  
SUBJECT: [redacted]

UNITED STATES GOVERNMENT

memorandum

b6  
b7C

TO: SAC Division II (29-15128)

Overriding Security

While acting in an undercover capacity, on  
above captioned case funds were expended in  
the amount of [redacted] [redacted], at [redacted]

b6  
b7C  
b7E

[redacted] New York, New York,  
on [redacted] by SA [redacted]

It is to be noted that none of the  
amount claimed was for personal benefit of  
aforementioned agent.

It was not feasible to obtain a receipt.



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

OPTIONAL FORM NO. 10  
(REV. 7-76)  
GSA FPMR (41 CFR) 101-11.6  
5010-112

City NYDate 8/14/79New York

Request of Special Agent in Charge, FBI,

[redacted] dollars, and [redacted] cents,

(s) [redacted], which money is to be paid by me on 8/14/79

to [redacted]

in connection with the case entitled [redacted]

et al.b6  
b7C  
b7D  
b7E

Services: \$ [redacted]

Expenses: \$ [redacted]

Signed

Special Agent

Have payments been made by other Offices?  No  Yes (List Offices below)Authority (date) Buairtel 8/14/79Period Covered by Payment 8/1 - 8/10/79Authorization Checked NYCheck Number 2130Date of Actual Payment 8/14 - 8/10/79 8/20/79By Whom SA [redacted]Receipts Received NOVoucher Prepared 9/24/79 Item 9

Category

File No. 25-15128Supv  
ApprovedJohn J. Cleaver, Jr.  
SACSEARCHED  
SERIALIZED  
INDEXED  
FILED

25-15128-509

FBI/DOJ

SAC II (29-15128)

8/14/79

SA [redacted] (M-2)

[redacted]  
ET AL  
BF & E; ITSP  
(OO:NY)

b6  
b7C

During the period [redacted]

[redacted] From the [redacted] telephone calls  
(local and long distance) were made by [redacted] and meetings  
with subjects were arranged. The meetings [redacted]  
related to his dealings with various subjects involved in  
major thefts of securities from several brokerage and clearing  
houses in the Greater NY area.

b6  
b7C  
b7D  
b7E

[redacted] Sum total of funds expended to date, is [redacted]

Inasmuch as emergency funds for this operation in  
the amount of [redacted] were originally provided by SAC II, it  
is requested that this [redacted] be refunded through the FSA to  
the case Agent, who will then refund SAC II.

On 8/13/79, FSA Unit advised the balance in the  
[redacted] under SAC authority (Buairtel, 8/14/72) was [redacted]

GAM:cmw  
(3)

FILE

FBI

## TRANSMIT VIA:

Teletype  
 Facsimile  
 AIRTEL

## PRECEDENCE:

Immediate  
 Priority  
 Routine

## CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 9/13/79b6  
b7C  
b7D  
b7E

TO: ADIC, NEW YORK (29-15128) (SQUAD M-2)

FROM: SAC, TAMPA (196-43) (P)

SUBJECT: [REDACTED] aka  
ITSP; FBW (A)[REDACTED]  
ET AL  
B F AND E; ITSP (A)  
(OO: NY)ReCGairtel to NY, 6/28/79, and NY airtel to  
CG, 7/6/79.For information of New York and Chicago, this  
matter was discussed with AUSA [REDACTED] MDF,  
Orlando, Florida, on 8/17/79, at which time [REDACTED]  
requested [REDACTED] be interviewed in detail  
concerning [REDACTED]  
[REDACTED]LEADSNEW YORK DIVISIONAT NEW YORK, NEW YORK

Interview [REDACTED] as set forth above.

②-New York  
 1-Chicago (196-200)(Info) ↗  
 2-Tampa (196-43)  
 DRH:pjl  
 (5)

1\*

b6  
b7C

29-15128-510

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 21 1979	

Approved: \_\_\_\_\_

Transmitted

(Number)

(Time)

FBI

## TRANSMIT VIA:

- Teletype  
 Facsimile  
 \_\_\_\_\_

## PRECEDENCE:

- Immediate  
 Priority  
 Routine

## CLASSIFICATION:

- TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 9/21/79

5

FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) IMMEDIATE

BT

b6  
b7C

UNCLAS

[REDACTED] ET AL, BF&amp;E; ITSP (A), OO: NEW YORK.

RENYTELCAL TO BUREAU, SEPTEMBER 19, 1979; BUREAUTELCAL TO NEW YORK, SEPTEMBER 19, 1979; NYTEL TO BUREAU, DATED SEPTEMBER 15, 1979, AND NYTEL TO BUREAU, DATED AUGUST 17, 1979.

THIS COMMUNICATION CONFIRMS BUREAUTELCAL TO NEW YORK IN WHICH EMERGENCY AUTHORITY WAS GRANTED TO UTILIZE AN ELECTRONIC DEVICE TO MONITOR AND/OR RECORD PRIVATE CONVERSATIONS [REDACTED]

b6  
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[REDACTED] FOR ADDITIONAL INFORMATION OF THE BUREAU, ON [REDACTED]

[REDACTED] A MEETING OCCURRED BETWEEN [REDACTED]

AT WHICH TIME [REDACTED] A SMALL AMOUNT OF STOLEN SECURITIES (\$26,000.00) IN RETURN FOR PAYMENT OF A NOMINAL SUM

① NEW YORK  
 1-SUPERVISOR M-2  
 1-PROGRAM MANAGER, ADIC

GAM:dap *808M-2*  
 (3)

29-15128-511  
 SEARCHED INDEXED  
 SERIALIZED FILED  
 SEP 24 1979

FBI—NEW YORK

Approved: *IN* *IP*

Transmitted

(Number)

1701  
(Time)Per *Adm P*

FBI

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE TWO UNCLAS

OF MONEY, APPROXIMATELY \$1,000.00. IT WAS MADE CLEAR DURING THIS MEETING THAT THIS SMALL TRADE WOULD SERVE AS A "GOOD FAITH" PRELIMINARY TRANSACTION. IT WAS AGREED THAT IF

WOULD DELIVER APPROXIMATELY \$2.5

MILLION WORTH OF STOLEN SECURITIES WITHIN THE FOLLOWING TWO WEEKS.

IN REFERENCED NYTEL TO BUREAU, DATED AUGUST 17, 1979, BUREAU WAS REQUESTED TO AUTHORIZE AN INCREASE IN THE FSA IN THE AMOUNT OF [REDACTED] LOOKING TOWARDS THE POSSIBILITY OF A [REDACTED] SIMILAR TO THAT DESCRIBED ABOVE.

IT IS NOTED THAT WITHIN THE HOUR FOLLOWING THE MEETING OF SEPTEMBER 19, 1979, [REDACTED] DELIVERED TO [REDACTED] THE \$26,000.00 WORTH OF SECURITIES HE PROMISED. THESE SECURITIES ARE NOW IN THE HANDS OF THE NYO.

NYO WILL FURNISH [REDACTED] THE SUM OF [REDACTED] TO DELIVER TO [REDACTED] TODAY. ADEQUATE COVERAGE OF THIS DELIVERY WILL BE AFFORDED BY NYO.

AUSA [REDACTED] SDNY, HAS ADVISED THAT THIS PRELIMINARY PURCHASED, WITNESSED BY BUREAU AGENTS, COMBINED WITH THE VARIOUS RECORDED CONVERSATIONS OF [REDACTED] CURRENTLY IN POSSESSION OF

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Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
(\_\_\_\_\_) (\_\_\_\_\_) (\_\_\_\_\_)

F B I

TRANSMIT VIA:

- Teletype
- Facsimile
- \_\_\_\_\_

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date \_\_\_\_\_

PAGE THREE UNCLAS

THE NYO WILL PROVIDE MORE THAN ADEQUATE EVIDENCE TO SUCCESSFULLY  
PROSECUTE

BT

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b7C

#

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
(Number) (Time)

9/21/79  
(Date)NY, NY  
(Location)

I, [redacted]

(Address)

hereby authorize [redacted]

, Special Agents of the

b6  
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b7D  
b7E

Federal Bureau of Investigation, United States Department of Justice, to place a

Body Recorder  
 Transmitter on my person for the purpose of recording any conversations

with [redacted]

(Name of Subject)

which I may have on or about [redacted]

I have given this written permission to the above-named Special

Agents voluntarily and without threats or promises of any kind

(Signature)

Witnesses: [redacted]

SA, FBI, 9/21/79

SA, FBI, 9/21/79

b6  
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25-18128-512

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 25 1979	
FBI-NEW YORK	

*[Handwritten signatures and initials over the stamp]*

9/21/79  
(Date)NY, NY  
(Location)b6  
b7C  
b7D  
b7E

I, [redacted]

[redacted], hereby  
(Address)

authorize [redacted]

, Special Agents of the

Federal Bureau of Investigation, United States Department of Justice, to install a

recording device on a telephone located at [redacted]

NY, NY  
(Location)

for the purpose of recording any conversation I may have on that telephone with

[redacted] on or about [redacted]

(Date)

I have given this written permission to the above-named Special  
Agents voluntarily, and without threats or promises of any kind.

Witnesses: [redacted]

SA, FBI, 9/21/79

S. A., FBI, 9/21/79

b6  
b7C

29-15128-513

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1979	
FBI - NEW YORK	

[Signature]

UNITED STATES GOVERNMENT

# memorandum

DATE: 9/24/79

REPLY TO:  
ATTN OF:  
ENB/  
SUBJECT: SAC, PHILADELPHIA, (196-269) (SQ 9) RUC

b6  
b7C

TO: DBA, FINANCIAL SERVICES BANK LIMITED,  
ST. VINCENT, BRITISH WEST INDIES;  
ETAL;  
BANK FRAUD AND EMBEZZLEMENT;  
INTERSTATE TRANSPORTATION OF STOLEN PROPERTY (A);  
OO:NY

ADIC, NEW YORK (29-15128) (M-2)

Reference Philadelphia airtel to New York, dated  
8/20/79.

On September 24, 1979, Attorney [redacted]  
contacted the Philadelphia Division and advised that his  
client, [redacted] recently recalled the name of the  
attorney who was present at the meeting in his law office  
on November 25, 1977, and which attorney was representing  
[redacted] The attorney is [redacted]  
[redacted] New York, [redacted] telephone number [redacted]

b6  
b7C

12 New York (29-15128)  
1- Philadelphia (196-269) (SQ 9) RUC  
PMK:taz  
(3)

29-15128-514

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1 1979	
FBI-NEW YORK	

b6  
b7C

-1\*-

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

OPTIONAL FORM NO. 10  
(REV. 7-76)  
GSA FPMR (41 CFR) 101-11.6  
5010-112

U M

VZCZCHQ0683

PP NY

DE HQ 0061 2761842

ZNR UUUUU

P 031554Z OCT 79

FM DIRECTOR FBI (29-85152)

TO FBI NEW YORK (29-15128) PRIORITY

BT

UNCLAS

[REDACTED] ET AL; BF&E, ITSP (A); OO: NEW YORK

RENYTEL TO THE DIRECTOR, OCTOBER 1 AND 3, 1979, AND BUTELCAL  
TO NEW YORK, OCTOBER 2, 1979.

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FBIHQ AUTHORITY IS GRANTED FOR SAS [REDACTED] AND

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[REDACTED] NEW YORK DIVISION, TO TRAVEL BY BUREAU VEHICLE TO

[REDACTED] TO MONITOR THE MEETING BETWEEN [REDACTED]

BT

0061

29-1512X-515

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 3 1979	
FBI-NEW YORK	
[REDACTED]	

*[Handwritten signatures and initials over the stamp]*

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F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 10/1/79Corrected on cards

FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) ROUTINE

PHILADELPHIA (196-269) ROUTINE

BT

b6  
b7C

U N C L A S

[REDACTED] ET AL; BF &amp; E; ITSP (A); OO: NEW YORK.

REFERENCE BUREAU AIRTEL TO NEW YORK, DATED SEPTEMBER 25,  
1979, PHILADELPHIA AIRTEL TO NEW YORK, DATED JULY 27, 1979.b6  
b7C  
b7D

FOR INFORMATION OF BUREAU AND PHILADELPHIA, IN [REDACTED]

[REDACTED] WITH THE UNITED STATES ATTORNEYS OFFICE,

SDNY. PURSUANT TO THE TERMS [REDACTED]

ALLOWED TO PLEAD GUILTY TO [REDACTED]

[REDACTED] IN RETURN, [REDACTED]

[REDACTED] WITH THE NEW YORK INVESTIGATION OF CAPTIONED  
SECURITIES THEFTS.

IN RECENT DEBRIEFING SESSIONS AT FBI, NEW YORK, [REDACTED]

HAS ADVISED THAT [REDACTED]

b6  
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① NEW YORK  
 1-SUPERVISOR # M-2  
 1-PROGRAM MANAGER, ADIC

GAM:meh *meh M-2*  
 (3)

Approved: *W/OP*

Transmitted

(Number)

(Time)

Per

29-15128-516

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

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b7D

PAGE TWO U N C L A S

[REDACTED] GRAND CAYMAN, BRITISH WEST INDIES, WAS FULLY AWARE OF THE NATURE OF THE FOLLOWING SETS OF STOLEN SECURITIES:

1.) \$67,000.00 WORTH OF BEARER BONDS OF THE WEST PENN POWER COMPANY, UTILIZED AS AN ASSET OF [REDACTED]  
[REDACTED]

2.) \$200,000.00 WORTH OF REGISTERED BONDS OF THE PUBLIC SERVICE COMPANY OF OKLAHOMA, UTILIZED AS AN ASSET OF [REDACTED]  
[REDACTED]

3.) \$223,000.00 WORTH OF VARIOUS SECURITIES SUBMITTED BY [REDACTED] FOR NEGOTIATION ON BEHALF OF ISLAND SECURITY BANK AT M.S. WIEN AND COMPANY, JERSEY CITY, NEW JERSEY ON OCTOBER 11, 1977.

[REDACTED] ADVISED THAT NOT ONLY WAS [REDACTED] FULLY AWARE THAT THE ABOVE SECURITIES WERE STOLEN BUT ON AT LEAST ONE OCCASION,

[REDACTED] TRAVELED TO [REDACTED] AND [REDACTED] securities VIEWED THE STOLEN MERCHANDISE TO DETERMINE WHETHER OR NOT IT were ~~they~~ <sup>they</sup> WAS ACCEPTABLE ~~to him~~.

[REDACTED] FURTHER ADVISED THAT \$25,000.00 OF THE ORIGINAL \$30,000.00 PAID BY [REDACTED] TO THE ORGANIZED CRIME PEOPLE WHO FURNISHED THE STOLEN SECURITIES TO [REDACTED] CAME TO [REDACTED]

F B I

TRANSMIT VIA:

- Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

- Immediate  
 Priority  
 Routine

CLASSIFICATION:

- TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

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b7C  
b7D

PAGE THREE U N C L A S

[REDACTED] IN NEW YORK BY WIRE TRANSFER FROM [REDACTED]

GRAND CAYMAN. THIS \$25,000.00 WIRE TRANSFER WAS AUTHORIZED  
BY [REDACTED][REDACTED] HAS ADVISED THAT HE WOULD BE WILLING TO MEET AND  
DISCUSS THE ABOVE WITH [REDACTED] AT ANY TIME. [REDACTED]HAS STATED THAT HE WOULD BE WILLING TO WEAR A NAGRA RECORDING  
DEVICE DURING THIS MEETING WITH [REDACTED]

FACTS OF THIS MATTER HAVE BEEN FULLY DISCUSSED WITH AUSA

[REDACTED] SDNY. AUSA [REDACTED] HAS ADVISED THAT HE SEES NO  
PROBLEMS WITH ENTRAPMENT IN THIS SITUATION. IN ADDITION, AUSA  
[REDACTED] interest in HAS EXPRESSED (IN) THE PROSECUTION OF [REDACTED] RE-  
GARDING CAPTIONED CONSPIRACY.

UACB, ON OCTOBER 5, 1979, SPECIAL AGENTS [REDACTED]

AND [REDACTED] WILL TRAVEL WITH [REDACTED]

[REDACTED] IN ORDER TO  
MONITOR A MEETING BETWEEN [REDACTED] REGARDING CAPTIONED  
MATTER.

BT

#

FBI

## TRANSMIT VIA:

- Teletype
- Facsimile
- \_\_\_\_\_

## PRECEDENCE:

- Immediate
- Priority
- Routine

## CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date 10/2/79

30

FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) ROUTINE

PHILADELPHIA (196-269) ROUTINE

BT

U N C L A S

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b7C

[REDACTED] ET AL; BF&amp;E; ITSP (A); OO: NEW YORK

RENYTELETYPE TO BUREAU AND PHILADELPHIA, DATED OCTOBER 1, 1979; AND NYTELEPHONE CALLS TO PHILADELPHIA, OCTOBER 1, 1979 AND OCTOBER 2, 1979.

SACS NEW YORK AND PHILADELPHIA CONCUR IN TRAVEL OF NYO AGENTS TO PHILADELPHIA FOR PURPOSE OF CONDUCTING OPERATION EXPLAINED IN REFERENCED TELETYPE.

BUREAU REQUESTED TO APPROVE TRAVEL OF THESE AGENTS TO PHILADELPHIA. THEY WILL USE BUREAU VEHICLE. CONTEMPLATED DURATION OF INVESTIGATION NO LONGER THAN ONE DAY.

BT

#

1 - NEW YORK  
 1 - SUPV. M-2  
 1 - PROGRAM MANAGER, ADIC

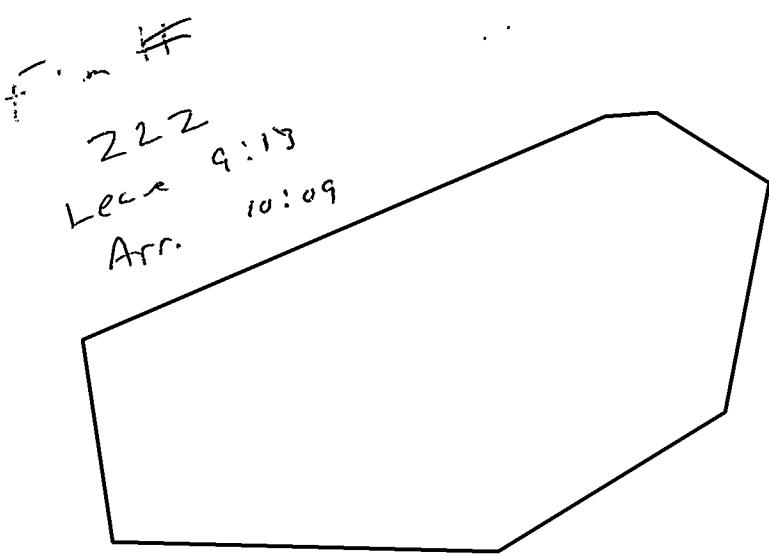
JFP:tb  
 (3)

410 0033

PH-2333-517

b6  
b7CApproved: WJTransmitted \_\_\_\_\_  
 (Number) (Time)

Per \_\_\_\_\_



b6  
b7C

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## TRANSMIT VIA:

- Teletype  
 Facsimile  
 \_\_\_\_\_

## PRECEDENCE:

- Immediate  
 Priority  
 Routine

## CLASSIFICATION:

- TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 10/5/79

36

FM NEW YORK (87-80711) (M-1)

~~TO MIAMI (87-35596)~~ IMMEDIATE

BT

U N C L A S

MAX E. BUSSARD, AKA - FUGITIVE; MICHAEL RAYMOND, AKA MIKE

BURNETT, M. BURNETT;   AKA  b6  
b7C  ITSP (D); BF & E; OO: MIAMI.

REMMAIRTEL TO NEW YORK, DATED OCTOBER 5, 1979.

LOCATION OF MIKE RAYMOND AKA MIKE BURNETT IS NASSAU  
CORRECTIONAL FACILITY, NASSAU COUNTY, NEW YORK, ADDRESS:1072 HICKSVILLE, NEW YORK. PHYSICAL LOCATION OF CORRECTONAL  
FACILITY IS ON COMMON AVENUE IN EAST MEADOW, NEW YORK, TELEPHONE  
NUMBER 516-292-4040. RAYMOND CURRENTLY INCARCERATED UNDER THE  
NAME OF MICHAEL BURNETT.  b6  
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BT

29-15128-519  
~~87-80711~~

SW

#  
 1-NEW YORK  
 1-SUPERVISOR # M-1  
 1-PROGRAM MANAGER, ADIC

GMP:meh  
(3)

meh M-1

b6  
b7CApproved: W/PGTransmitted M-1 0010  
(Number) (Time) Per 71441

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/13/79

[redacted] Assistant United States Attorney, Federal District of Vermont, Burlington, Vermont, advised that he has received long distance telephone calls from Attorney [redacted] on August 29, 1979, and August 30, 1979. [redacted] stated he did not initiate the telephone calls on August 29, 1979, and that the telephone calls were a complete surprise to him.

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[redacted] stated that he immediately dictated memos concerning contents of the telephone conversations he had with Attorney [redacted] on August 29, 1979 and August 30, 1979, and the memos read as follows:

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Investigation on 9/4/79 at Burlington, Vt. File # AL 29-2452 *NY-84-1512.1-520*

by SA [redacted] kah Date dictated 9/11/79

## memorandum

DATE: August 30, 1979  
 (August 29, 1979) date dictated  
 REPLY TO ATTN OF: [REDACTED]  
 SUBJECT: [REDACTED]

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- Evening of 8/29/79

TO: FILE

At approximately 9:15 P.M. on August 29, I received a person-to-person telephone call at home from a person identifying himself as, and whose voice I recognized as that of, [REDACTED] said that he was calling because he wanted to know whether we had an agent available tomorrow since he thought he had knowledge of a federal crime. I asked him what type of agent and he indicated F.B.I.

[REDACTED] then proceeded to tell me what this was in reference to. He stated that last November he was contacted in connection with a small "off-shore" bank which had one million dollars in bearer paper which Chemical Bank in New York had failed to honor. He indicated that it was legitimate bearer paper, that [REDACTED] "had to realize that it was stolen" but, as [REDACTED] generally phrased it, "one can't tell by looking at a dollar bill where it has been or whether it has been stolen previously." [REDACTED] said that he went to St. Vincent in the Caribbean, set his fee to represent the bank and stayed there five days. He stated that the fee was not paid so he came back. He told me that this all took place last November, that nothing happened for a while afterward and that a short time ago the people reappeared. He stated that the person who he referred to as "the mastermind," told him that he would give him [REDACTED] \$5,000 to cover expenses if he would undertake representing the bank in connection with the Chemical's dishonoring of the paper. [REDACTED] indicated that he was willing to, but they would have to meet the retainer requirement before he would actually represent them.

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[REDACTED] indicated that this week he was down in Connecticut, Bridgeport specifically, and was visited by the man "with a number of different names." [REDACTED] later in the conversation identified this person as the Michael Burnet or Paul Burnet etc.

[REDACTED] stated to me that while he was in Bridgeport this week an individual who had acted as a go between from Burnet to [REDACTED] in the past on this thing, [REDACTED] had



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

 OPTIONAL FORM NO. 10  
 (REV. 7-76)  
 GSA FPMR (41 CFR) 101-11.6  
 5010-112

File memo dated August 30, 1979

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b7D

[redacted]

come to see him and asked if he would still represent the bank. [redacted] indicated that "the fellow who used all the strange names" ([redacted] words) was under indictment in Florida but would be there to see [redacted] about representing the bank. The individual did call [redacted] and appeared with a driver, who [redacted] described as looking like a "hood," and met with him at the Holiday Inn on August 29th. They went out to lunch at a relatively non-descript place, and discussed things such as "Dare To Be Great" and [redacted]. They got into a discussion of these things because the individual is (was) from Orlando and [redacted] used to represent [redacted] who apparently was from that area also.

The individual "of many names" [redacted] (last name) at that point, specifically told [redacted] that the bonds were stolen and that he would turn over the fee to [redacted] for him to represent the bank down in St. Vincent and then vanish to a location unknown. [redacted] told the individual that he was not willing to do this. [redacted] told me, "As you know, I don't practice law that way." [redacted] told him that this activity might well be in violation of the RICO statute and the individual knew all about the RICO statute, was conversant in RICO, and discussed it with [redacted]. [redacted] told the person that he was well acquainted with the U.S. Attorney's Office in Vermont and, if not retained by the individual as attorney, he would feel quite likely compelled to bring this matter to our attention or to the attention of other authorities since there was no attorney-client relationship. [redacted] told the individual that what the man was telling him was putting him in a vulnerable position since Burnet specifically told him that the securities were stolen and [redacted] would feel compelled to bring this information to the attention of the authorities since he had not been retained.

The person also told [redacted] that he wanted to know how to pass the stolen securities. [redacted] told him that there were 25 steps which the lawyer down in St. Vincent knew all about (or something to that effect). [redacted] told me at this point that Burnet had not had any contact with the lawyer down in St. Vincent or he would know that this last statement was complete baloney because [redacted] was now making all this up. [redacted] stated that they parted company

File memo dated August 30, 1979

[redacted]

with the person saying that he would come up with the fee for [redacted] to represent the bank in connection with the securities. Burnet told [redacted] that he would have the fee to [redacted] by 1:30 on August 29th. [redacted] stated that he subsequently received a call at 1:30 P.M. on August 29 from [redacted] stated, as he did a number of times during the conversation, that [redacted] appeared to him to be an honest entrepreneur. He said that [redacted] told him that he had seen the money, i.e., the fee, and was going to St. Vincent to send it back to [redacted]

[redacted] indicated that there was no attorney-client relationship and therefore he felt compelled to tell us about these occurrences since what he had learned might be evidence of a federal crime. I told him that I thought that even if there was an attorney-client relationship here that what he was talking about was an ongoing crime and therefore he had a duty to tell us anyway. [redacted] disagreed with my analysis based on the facts, but we agreed that under the facts he had stated this need not be resolved, since these people had not been his clients and he had made that clear to them as well as that he would feel obligated to tell authorities these facts. [redacted] stated that in the conversation down in Connecticut he had led the individual along because he wanted to see what the person had to say.

[redacted] indicated that he thought there were four possibilities to explain what was going on. The first was that someone was trying to set him up. The second was that someone was trying to set up [redacted] The third was that someone was pulling some kind of con game, and the fourth possibility was that someone was trying to set up the attorney general of St. Vincent. [redacted] stated that Burnet had told him that he had sent a yacht down to St. Vincent for that attorney general with girls on it but [redacted] thought this was all very strange and had no idea whether this was true and accurate.

File memo dated August 30, 1979

[redacted]

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[redacted] told me that the attorney he had been dealing with in Connecticut was named [redacted] (phonetic) and is associated with him in a case down there. He indicated that he was in the middle of discussing the strange situation with [redacted] who agreed that something very strange was going on, when he received the telephone call from [redacted] at 1:30 P.M. on August 29th, saying that the money was available. [redacted] indicated that at this point he felt he should go to the "Bureau" or otherwise make it known to authorities and had thought about going to the Bureau down in Connecticut. He decided, however, to bring it to our attention since he knew us and did not know who he would be dealing with down in Connecticut. He did not at any time indicate why he called me specifically as opposed to [redacted] for example, but did say he was calling at that hour because he had just gotten in from Connecticut.

[redacted] told me that the bank in St. Vincent was Financial Services Bank Ltd. and that he had seen a letter while he was in St. Vincent from Chemical Bank specifically stating that they had dishonored the bearer securities. The securities were Nassau County New York tax anticipation notes. [redacted] saw copies of some of the notes, or a sample of them, when he was down in St. Vincent last November. He indicated that it was a complete guess by him but he would guess that the notes were about one year old when he saw them.

I asked [redacted] even given what he stated was his limited factual knowledge, whether he had any idea why Chemical Bank had not reported to the F.B.I. the fact that one million dollars in stolen bearer securities had been brought to them in an attempt to collect on them. [redacted] stated that he had no idea and that it was entirely possible in fact that Chemical Bank had notified the F.B.I.

[redacted] stated to me at this point that he was going to call and ask him what was going on. He said he had no idea what was going on and wanted to try and ascertain it

File memo dated August 30, 1979

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[redacted]  
and intended to call [redacted] with that purpose in mind. I asked him whether [redacted] was down in St. Vincent and he stated "no," he expected that [redacted] was at his residence in New Jersey.

[redacted] subsequently called me back a very few minutes later and stated that he had just spoken with [redacted] and that [redacted] was hysterical. [redacted] stated that [redacted] claimed to have been subpoenaed by the person who had been using all the funny names to appear before a grand jury in "New York" next week (not specified whether state or federal, or which district if federal, or the date). The person who subpoenaed him was the person of many names who now claimed to be a Bureau agent.

[redacted] in response to questions from me, went on to say that [redacted] is a real estate agent and deals in insurance in St. Vincent. [redacted] indicated that the person has connections there because he has seen him deal with those people while he was down there. [redacted] stated that [redacted] has a habit of passing some bad checks, but that a lot of his past clients have and that does not necessarily mean that he is dishonest. I have some recollection of [redacted] saying something about receiving money for expenses at some point and that part of the payment was in the form of a bad check, but he may well have been relating the situation with other clients.

[redacted] stated that the person with many names has used names like Michael Burnet, Paul Burnet, Michael Paul and now was using the name Myron Sonnett or something like that. [redacted] was not sure. [redacted] indicated that [redacted] is from New Jersey, appears to be the [redacted] for this individual and as far as [redacted] knew, was honest.

[redacted] also told me about someone, I think that it was [redacted] but I could be very mistaken, has a relative with a strange name like [redacted] or something like that. His connection to this matter was unclear to me, if there was any connection. I asked [redacted] where Burnet, or whatever his name was, resided and [redacted] told me that he had been told by Burnet that he resided at or stayed (I'm not sure which he said) at the [redacted] in New York.

Page 6

File memo dated August 30, 1979

[redacted]

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b7D

[redacted] stated that he had been given a card with Sonnett's name on it which he thinks he threw away because it had no significance to him.

[redacted] stated that the attorney in St. Vincent is [redacted] [redacted] who has an office there and he has every reason to believe is legitimate. He stated that the person called Paul Fenton Burnet, who supposedly owns the bank in St. Vincent, and the person who had, or would, put up the fees, is the person [redacted] claims is a Bureau agent. [redacted] reiterated, as he had at least twice before, that as far as he could see and believed, [redacted] was honest. [redacted] stated that [redacted] now was somewhat hysterical and had asked him to represent him, which [redacted] of course indicated he would not do. I asked [redacted] to keep us advised of any developments, but he stated he was not going to take any more calls from these people.

I told [redacted] that I would check on Thursday and see if we could have an agent available to talk with him concerning this matter. [redacted] told me that he was not now that concerned about talking to an agent since he had brought the matter to our attention and he felt he had fulfilled his obligation, therefore there was no hurry getting the agent to see him. He did intend, however, that we get someone to see him at some point.

## memorandum

DATE: August 31, 1979  
(August 30, 1979) date dictated  
REPLY TO [REDACTED]  
ATTN OF [REDACTED]  
SUBJECT [REDACTED]

b6  
b7C

TO: FILE

Pursuant to two messages to call him which I received today (August 30) from [REDACTED] I returned the calls at approximately 3:30 this afternoon (August 30). [REDACTED] secretary indicated that he was unavailable, but when I identified myself she indicated that he had been waiting to hear from me and wanted to talk with me.

[REDACTED] inquired as to whether an agent was coming by to see him today (August 30) and I inquired as to whether today was a good day for him or not. He indicated that it was an awful day and tomorrow would be preferable. I asked him what his schedule was for tomorrow and found out that he has a deposition in the afternoon and that first thing in the morning would be best. I indicated that we would have a couple of agents come by and see him in the morning, and I expected they would be [REDACTED] and [REDACTED] We set it up specifically for 9:00 A.M.

b6  
b7C

Without any questioning from me, [REDACTED] went on to say that the more he thinks about this the more bizarre it becomes. He thinks he may be the victim of the deal but can't see how he has any direct involvement in it. I did not comment on that in any respect.

We simply left it that if the time were to change when the agents were coming by to see him in the morning that I would get back to him.



rgb

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

OPTIONAL FORM NO. 10  
(REV. 7-76)  
GSA FPMR (41 CFR) 101-11.6  
5010-112

UNITED STATES GOVERNMENT

# Memorandum

TO : ADIC, NEW YORK (29-15128)

DATE: 10/1/79

FROM : SAC, ALBANY (29-2452) (RUC)

SUBJECT: [REDACTED] dba

Financial Services Bank Limited  
St. Vincent British West Indies  
ET AL  
BF&E; ITSP (A)

Re Albany teletype to New York, dated 8/30/79,  
and New York teletype to Bureau, dated 9/1/79.

Enclosed for New York is an original and one copy  
of an FD-302 reflecting interview of AUSA [REDACTED]  
[REDACTED] at Burlington, Vermont.

b6  
b7C

Since there is no outstanding investigation  
within the Albany Division, this matter is being RUC'd.

NY - New York (Encs.2)  
1 - Albany  
JJM:kah  
(3)



5010-110

29-15128-521

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 11 1979	
FBI-NEW YORK	

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

29-15128-522

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 16 1979	
FBI - NEW YORK	
JAN	

774-1700 10/11/79 3494612 OF3C9822

RCB:PL15-CFRC

b6 FILE 15 NYSCJS ALBANY NY 981415Y 10/11/79 REPLY  
b7C FBI NY NYFBI NY 79

USA 4434 FILED 10/11/79 DCT

NOTWITHSTANDING THIS RESPONSE DOES NOT SATISFY THE REQUIREMENTS OF CPL SECTIONS 530.30,  
530.40 OR 390.10 SINCE IT IS NOT BASED ON A FINGERPRINT IDENTIFICATION.

[REDACTED]  
[REDACTED] ORIGINAL RECORD ON FILE COMPARES WITH INFO GIVEN

[REDACTED] COMM [REDACTED]

b6  
b7C

29-15128-523

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1 1979	
FBI - NEW YORK	
JL	



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

201 East 69th Street  
New York, New York 10021

In Reply, Please Refer to  
File No. NY 34-

m-1

8/20/79

[Redacted]  
87-81597

Security Supervisor  
New York Telephone Company  
1095 Avenue of the Americas  
New York, New York 10036

Dear Sir:

In connection with an official investigation  
being conducted by this office, it is requested that you  
furnish listings for the following telephone numbers:

[Redacted]

11-1-78

NLSI  
COIE

[Redacted]

NP

[Redacted]

[Redacted]

[Redacted]

Your personal attention in protecting the confidential  
nature of our inquiry to this matter is greatly appreciated, and  
I wish to express my thanks for your cooperation.

Very truly yours,

NEIL J. WELCH

Assistant Director in Charge

[redacted]  
This might be of interest  
to you and me  
[redacted]

b6  
b7C

PFC:mk

1

[redacted]  
he has identified [redacted] a person  
\$10,000,000 in stolen securities. [redacted] has offered  
these securities are in stocks which are already stolen. some of  
which are from corporations in the State of Oklahoma. [redacted]  
[redacted] is anxious to sell these securities  
and supplied the following addresses and telephone numbers so [redacted]  
could easily re-contact him:

Residence: [redacted]

b6  
b7C  
b7D  
b7E

Weekend Residence: [redacted]

[redacted] will attempt to obtain samples of  
these stolen securities and supply them to an Undercover Special  
Agent (UCA) operating in the case entitled, "APPLEJACK; FFIS;  
NY 15-71900".

29-18128-524  
[redacted]  
601 - 1979  
FBI - NEW YORK  
[redacted]

10/23/79

(Date)

NY, NY

(Location)

I, [redacted],  
(Name)

hereby authorize [redacted]

[redacted], Special Agent of the

Federal Bureau of Investigation, United States Department of Justice, to place a

Body Recorder  
 Transmitter on my person for the purpose of recording any conversations

with [redacted]

(Name or Subject(s))

which I may have on or about [redacted]

(Date)

I have given this written permission to the above-named Special

Agents voluntarily and without threats or promises of any kind

[redacted]  
(Signature)

Witness

SA, FBI NY, NY

b6  
b7C

29-15128-525

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 27 1979	
FBI - NEW YORK	

*[Handwritten signatures and initials over the stamp]*

10/23/79

(Date)

NY, NY

(Location)

b6  
b7C  
b7D  
b7E

I,

(Name)

hereby

authorize

, Special Agents of the

Federal Bureau of Investigation, United States Department of Justice, to install a

recording device on a telephone located at

NY, NY

(Location)

for the purpose of recording any conversation I may have on that telephone with

(Name of Subj ect(s))

on or about

(Date)

I have given this written permission to the above-named Special Agents voluntarily, and without threats or

(Signature)

ses:

SA, I, NY, NY

b6  
b7C

26-175128-526

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 23 1979	
FBI - NEW YORK	

*[Handwritten signatures and initials over the stamp]*

SAC (29-15123)  
(ATTN: SECTION M-6)

10/24/79

SUPV. [REDACTED] (M-2)

b6  
b7C

[REDACTED]  
ET AL;  
SAC-FB&E; ITSP; FRAUD BY WIRE  
(OO:NY)

M-2 requests the exert services of M-6 for the period [REDACTED]

Captioned investigation has [REDACTED]

[REDACTED] using body recording equipment meeting with individuals in order to get information in a major stolen securities operation in the Wall Street area.

[REDACTED] M-2's objectives in this matter have been to seize a large block of stolen securities, arrest individuals selling the securities and identifying individuals in the brokerage houses. The preliminary negotiations have been settled so the transaction should take place very soon.

M-2 requests use of surveillance resources to conduct appropriate surveillance on two individuals who are negotiating with NY source to determine their contacts and sources of securities.

For info of SAC II and M-6. [REDACTED]

[REDACTED] In addition they are [REDACTED]

[REDACTED] Source is an [REDACTED]

b6  
b7C  
b7D

JFP:tb  
(3)

NY 29-15128

If this important request is respected, M-2 will provide M-6 with a briefing and all appropriate and necessary data.

Time period for this operation should run from approximately [redacted] Surveillance should be for [redacted] hours per day during this period. [redacted]

b7D  
b7E

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 10/19/79

FM NEW YORK (29-15128) (M-2)

TO ~~DIRECTOR~~ (29-85152) IMMEDIATE

BT

U N C L A S

b6  
b7C

[REDACTED] ET AL; BF &amp; E; ITSP (A); OO: NEW YORK.

RENYTEL TO BUREAU, DATED SEPTEMBER 15, 1979, BUREAU AIRTEL  
 TO NEW YORK, DATED SEPTEMBER 25, 1979.

NEW YORK REQUESTS AUTHORITY FOR AN ADDITIONAL [REDACTED]

[REDACTED] FOR THE USE OF AN ELECTRONIC DEVICE TO MONITOR AND/OR  
 RECORD [REDACTED]

b6  
b7C  
b7D  
b7E

[REDACTED] MICHAEL CONTE, AND OTHERS YET UNKNOWN.

LAST AUTHORIZATION WAS OBTAINED ON SEPTEMBER 21, 1979,  
 FROM [REDACTED] NYO ANTICIPATES  
 USE OF BODY RECORDER [REDACTED]

INSTANT CASE INVOLVES THE THEFT OF APPROXIMATELY 3.5 MILLION

① NEW YORK  
 1-SUPERVISOR # M-2  
 1-PROGRAM MANAGER, ADIC

WAR:meh woh M2

(3)

528

-0135-

Approved: N J W

Transmitted \_\_\_\_\_

(Number)

(Time)

b6  
b7C

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:  
 Immediate  
 Priority  
 Routine

CLASSIFICATION:  
 TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

b6  
b7C  
b7D  
b7E

PAGE TWO U N C L A S

DOLLARS WORTH OF SECURITIES FROM VARIOUS BROKERAGE AND CLEARING  
 HOUSES IN THE WALL STREET AREA OF NEW YORK. [REDACTED]

[REDACTED] USE OF

CONSENSUAL MONITORING EQUIPMENT IN THIS CASE HAS [REDACTED]

[REDACTED] TO

IN THE OPINION OF AUSA [REDACTED] INDICT BOTH FOR ITSP.

ADDITIONALLY, IN A TAPED CONVERSATION WITH [REDACTED]

THIS MATTER HAS BEEN FULLY AND CONTINUALLY DISCUSSED  
 AUSA [REDACTED] SDNY, WHO HAS ADVISED THAT HE SEES NO  
 PROBLEMS WITH ENTRAPMENT IN THE UTILIZATION OF MONITORING/  
 RECORDING OF EQUIPMENT IN THIS CASE.

b6  
b7C

BT

#

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 10/22/79

24

FM NEW YORK (29-15128) (P)

TO ~~DIRECTOR~~ (29-85152) IMMEDIATEb6  
b7C

BT

U N C L A S

[REDACTED] ET AL, BF&amp;E; ITSP (A); OO: NEW YORK

REFERENCE BUREAU TELEPHONE CALL TO NEW YORK, AND NEW YORK  
 TELEPHONE CALL TO BUREAU, DATED OCTOBER 22, 1979.

NYO DOMESTIC EMERGENCY AUTHORIZATION TO UTILIZE AN ELECTRONIC

DEVICE TO MONITOR AND/OR RECORD

[REDACTED] MICHAEL ANTHONY LEONE,

[REDACTED] AND OTHERS UNKNOWN.

FOR INFORMATION OF THE BUREAU,

[REDACTED] LEONE AND

[REDACTED] COVERED BY THE NYO. NYO HAS

OBTAINED ADDITIONAL VALUABLE TAPED EVIDENCE AGAINST SUBJECTS

[REDACTED] LEONE AND [REDACTED]

b6  
b7C  
b7D  
b7E

1-NEW YORK  
 1-SUPERVISOR M-2  
 1-PROGRAM MANAGER - ADIC

529  
b6  
b7CWAR:kp  
(3)Approved: WJF

Transmitted \_\_\_\_\_

(Number)

(Time)

n

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE TWO U N C L A S

APPROXIMATELY EIGHTEEN MILLION DOLLARS WORTH OF STOLEN SECURITIES.

NYO ANTICIPATES THAT [REDACTED]

[REDACTED] LEONE [REDACTED]

A LARGE

AMOUNT OF STOLEN SECURITIES.

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

b6  
b7C  
b7D  
b7E

AUSA [REDACTED] HAS BEEN CONTINUALLY ADVISED AS TO THE  
ONGOING STATUS OF INSTANT CASE AND HAS STATED THAT THE USE OF  
MONITORING AND/OR RECORDING EQUIPMENT DOES NOT PRESENT A PROBLEM  
OF ENTRAPMENT. NYO PROVIDING APPROPRIATE SECURITY AND CONTROL  
IN THIS MATTER. BUREAU WILL BE ADVISED OF RESULTS.

b6  
b7C

BT

#

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
(Number) (Time)

29-15128-532  
9/27/71

John

29-15128-533 2990451

RR NY

DE HQ 0009

ZNR UUUUU

R 260130Z OCT 79

FM DIRECTOR FBI

TO FBI NEW YORK ROUTINE

BT

UNCLAS

MICHAEL BURNETT; ANNE SESSA - POSSIBLE VICTIM; DISAPPEARANCE OF  
\$150,000 WORTH OF STOCKS AND BONDS, FORT LAUDERDALE, FLORIDA,  
DECEMBER 19, 1977; ITSP (OO: MIAMI).

REBERCAB, SEPTEMBER 7, 1979.

ON OCTOBER 25, 1979, [REDACTED]

b7D

MADE AVAILABLE LETTER DATED SEPTEMBER 16, 1979, FROM EXAMINING  
MAGISTRATE JACQUES FUEK, CANTON OF GENEVA, WHICH IS TRANSLATED  
BELLOW:

DURING THEIR MEETING OF SEPTEMBER 10, 1979, THE OVERSIGHT  
COMMISSION OF THE GENEVA BAR DECIDED TO AUTHORIZE [REDACTED] TO  
RESPOND TO THE QUESTIONS OF EXAMINING MAGISTRATE JACQUES FUEK.  
THE COMMISSION NOTED THAT IT WAS APPROACHED BY [REDACTED] AND THAT

b6  
b7C

29-15128-533

b6  
b7C

JFM

PAGE TWO DE HQ 3009 UNCLAS

ITS AUTHORIZATION DOES NOT IMPOSE ON [REDACTED] THE NECESSITY OF TESTIFYING, THE ATTORNEY REMAINING IN PRINCIPLE THE MASTER OF THE SECRETS WHICH ONLY HE KNOWS THE EXTENT AND IMPLICATIONS. HOWEVER, [REDACTED] HAS INFORMED ME THAT HE IS AT MY DISPOSAL TO BE HEARD.

FOEX DESIRES TO KNOW IF INTERVIEW OF [REDACTED] IS STILL DESIRED, AND IF SO, REGARDING WHICH FACTS.

LEGAT DOES NOT KNOW CURRENT STATUS OF CASES INVOLVING RAYMOND AND [REDACTED] LEAD:

NEW YORK:

CONTACT AUSA [REDACTED] AND SUTEL RESPONSE FOR LEGAT.

AUSA [REDACTED] MAY DESIRE TO FORMULATE SPECIFIC QUESTIONS.

BT

3009

b6  
b7C

NY-167

PHYSICAL SURVEILLANCE LOG

DATE:

SUBJECTS

1. Michael Leone

3. Michael Raymond

2.

4.

b6  
b7C

AGENTS ON DUTY

1.

4.

2.

5.

3.

6.

PHOTOGRAPHS TAKEN ( )

LICENSE PLATES OBSERVED ( )

INDEXING NEEDED ( )

CASE AGENT

FILE NUMBER 29-15128

29-15128-544  
gk gk

Jh

PHYSICAL SURVEILLANCE WAS CONDUCTED IN THE  
VICINITY OF [REDACTED]

ON , AT WHICH TIME THE FOLLOWING OBSERVATIONS  
WERE NOTED:

Nyc

b6  
b7c

RETURN

I received the attached search warrant , 19 , and have executed it as follows:

On , 19 at o'clock M, I searched the person or premises described in the warrant and

I left a copy of the warrant with ----- name of person searched or owner or "at the place of search" together with a receipt for the items seized.

The following is an inventory of property taken pursuant to the warrant:

29-15128-535

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 30 1979	
FBI - NEW YORK	

D.L.

This inventory was made in the presence of

and

I swear that this Inventory is a true and detailed account of all the property taken by me on the warrant.

Subscribed and sworn to and returned before me this

day of , 19 .

-----  
Federal Magistrate

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC DIVISION II (99-15128) DATE: 5/1/79

FROM : SA [redacted]

SUBJECT: [redacted]

b6  
b7C

In accordance with captioned investigation it is requested that [redacted] be advanced to be used for purpose of observing a meeting between [redacted] & subject [redacted]. These funds will be utilized by [redacted] M-2 agents [redacted]

b6  
b7C  
b7D  
b7E

Bureau approval has been obtained to monitor this meeting.

OK for expenses

jl.

1-15128-53C

(2)



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

b6  
b7C

UNITED STATES GOVERNMENT

# Memorandum

CONTROL # NYCM 356

TO : SAC I (ATTN: SUPV., #14)

DATE: 10/23/79

FROM : SA [redacted]

SECTION M-2

SUBJECT: CONSENSUAL MONITORING

ReBuairtel to all offices, 6/8/77, captioned  
"MICROPHONE AND TELEPHONE SURVEILLANCES".

b6  
b7C

CASE CAPTIONED [redacted]

et al.

NYFILE 29-15128 BUFILE 29-85152 Authority/Date 10/23/79

DESCRIPTION: Stolen Securities MATTER

ELSUR CARDS SUBMITTED \_\_\_\_\_, \_\_\_\_\_ (Date) \_\_\_\_\_ (Initials)

ALL OVERHEARS RELATING TO THIS AUTHORITY AND CONSENSUAL  
MONITORING MUST BE INDEXED FOR NEW YORK "ELSUR" INDICES.

- 1- New York (66-7968) (Section 14) (Blue)
- 1- Case File (Pink)
- 1- J U N E UNIT (Yellow)
- 1- Supervisor or Substantive Desk (Green)
- 1- SAC \_\_\_\_\_ (White)

29-15128-537

JKK:MAR

b6  
b7C



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

# Airtel

DATE: 10/26/79

To: ADIC, New York (29-15128)

From: Director, FBI (29-85152)

[REDACTED]

ET AL  
BF&E; ITSP (A)  
OO: NEW YORK

b6  
b7C

ReNYtel to the Director, 10/22/79, and Butelcal to New York, 10/23/79.

Approval was obtained on 10/24/79 from [REDACTED] for the use of a body recorder and/or transmitter [REDACTED]

[REDACTED] Emergency authority was granted by FBIHQ on 10/23/79.

Insure Bureau equipment is afforded appropriate security and keep Bureau advised of pertinent developments.

You are requested to submit a letter at the completion of the [REDACTED] authorizing use of the body recorder and/or transmitter in this matter showing whether the body recorder:

b6  
b7C  
b7D  
b7E

[REDACTED]  
Comment specifically concerning any of the above points that are applicable.

In the event it will be necessary to renew this [REDACTED] request and justification should be submitted five work days prior to termination of your present authority.

538

SEARCHED [REDACTED] INDEXED [REDACTED] FILED [REDACTED]

M3 OCT 30 1979

b6  
b7C

b6  
b7C

Airtel to ADIC, New York  
Re: [redacted]

b6  
b7C

In addition, you should insure that all persons identified as having been monitored are suitably included in the field office and FBIHQ ELSUR indices commensurate with existing instructions as outlined in Bureau airtels to all offices dated April 12, 1977, June 8, 1977, and October 21, 1977, entitled "Microphone and Telephone Surveillances." Strict administrative controls must be established to insure these requirements are met.



# FEDERAL BUREAU OF INVESTIGATION

Washington, D. C. 20537

## REPORT

of the

### LATENT FINGERPRINT SECTION IDENTIFICATION DIVISION

YOUR FILE NO. 29-4093 (P)  
 FBI FILE NO. 29-85152  
 LATENT CASE NO. B-66372

August 27, 1979

TO: SAC, Miami

RE: [REDACTED]

dba FINANCIAL SERVICES, LIMITED  
 ST. VINCENT'S, BRITISH WEST INDIES;  
 UNSUB(S);  
 BF&E; ITSP; FBW

REFERENCE: Letter 7/26/79  
 EXAMINATION REQUESTED BY: Miami  
 SPECIMENS: Two bond certificates, #R648 and #R649

The specimens were examined and seven latent fingerprints and one latent palm print of value were developed on certificate #R648 and one latent palm print of value was developed on certificate #R649.

b6  
b7C

The latent fingerprints are not identical with the fingerprints of [REDACTED] FBI [REDACTED] or eleven other individuals previously named in this case. The latent palm prints are not identical with the palm prints of [REDACTED] FBI [REDACTED] FBI [REDACTED] or Michael Raymond, FBI #291498C. There are no palm prints here for the following previously named individuals in this case:

[REDACTED] FBI [REDACTED]  
 [REDACTED] FBI [REDACTED]  
 [REDACTED], FBI [REDACTED]

(Continued on next page)

Enc. (2)

2 - New York (29-15128) - Enc. (4)

THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY

29-15128-539 FBI/DOJ

SAC, Miami

August 27, 1979

[REDACTED] FBI [REDACTED]  
[REDACTED] born [REDACTED] in  
[REDACTED] New York, New York,  
Police Department [REDACTED]

The specimens are enclosed. Copies of the specimens  
are enclosed for the New York Division, as requested.

UNITED STATES GOVERNMENT

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

# Memorandum

TO : ADIC, NEW YORK (29-15128) DATE: 10/18/79  
b6  
b7C  
(SQUAD M-2)

FROM : *AN/RC* SAC, MIAMI (29-4093) (P)

SUBJECT:

dba, FINANCIAL SERVICES, LTD.,  
ST. VINCENT, BRITISH WEST INDIES;  
UNSUB(S);  
FRAUDULENT NEGOTIATION OF  
67 WEST PENN POWER COMPANY  
BEARER BONDS,  
EACH IN THE AMOUNT OF \$1,000  
AT CHASE MANHATTAN BANK,  
NEW YORK, NEW YORK,  
IN MARCH, 1978.  
ATTEMPT TO NEGOTIATE \$228,877.23  
IN STOLEN SECURITIES AT  
M. S. WIEN AND COMPANY,  
JERSEY CITY, NEW JERSEY,  
10/10/77;  
THEFT OF \$200,000 IN  
PUBLIC SERVICE COMPANY OF  
OKLAHOMA BONDS FROM  
BRADFORD TRUST COMPANY,  
NEW YORK, NEW YORK  
BETWEEN JANUARY, 1977, AND MAY, 1977.  
BF&E; ITSP; FBW (A)  
(OO: NEW YORK)

Re Miami letter to Bureau, 7/26/79.

Enclosed for New York are the following:

1. Original lab report of Latent Fingerprint  
Section, dated August 27, 1979.

2. Copy of letter of  Detective  
Superintendent, Cayman Island Police, dated August 27, 1979.

*J* (2) - New York (Encs. 4)  
1 - Miami  
PRC:cjr  
(3)

29-15128-540

SEARCHED	INDEXED
SERIALIZED	FILED <i>jm</i>
OCT 30 1979	
FBI-NEW YORK	



MM 29-4093

3. Original statement of [redacted]

4. Copy of letter of [redacted] Accountants to the Shareholders of Financial Services Bank, Ltd., dated January 26, 1978, with attached balance sheet.

LEAD

MIAMI

At Grand Cayman, British West Indies

1. Maintain contact with [redacted] for additional information regarding [redacted]

2. Return Bond Certificates to [redacted]

UNITED STATES GOVERNMENT

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

# Memorandum

TO : SAC (29-15128)  
(ATTN: SECTION M-6)

FROM : SUPV [REDACTED] (M-2)

DATE: 10/24/79

SUBJECT:

ET AL;  
~~34-6~~ FB&E; ITSP; FRAUD BY WIRE  
(OO:NY)

b6  
b7C

M-2 requests the expert services of M-6 for the period [REDACTED]

Captioned investigation has, [REDACTED] using body  
recording equipment meeting with individuals [REDACTED]

[REDACTED] M-2's objectives in this matter have been to seize a large block of stolen securities, arrest individuals selling the securities and identifying individuals in the brokerage houses. The preliminary negotiations have been settled so the transaction should take place very soon.

b6  
b7C  
b7D  
b7E

M-2 requests use of surveillance resources to conduct appropriate surveillance on two individuals who are negotiating with NY source to determine their contacts and sources of securities.

For info of SAC II and M-6, [REDACTED]

[REDACTED]

JFP:tb  
(3)

1 - Supv M-6



29-15128-571

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 21 1979	
FBI - NEW YORK	

*[Signature]*

NY 29-15128

If this important request is respected, M-2 will provide M-6 with a briefing and all appropriate and necessary data.

b7D  
b7E

Time period for this operation should run from approximately [redacted] Surveillance should be for [redacted]  
[redacted] [redacted]

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/30/79

On October 25, 1979, Special Agent (SA) [redacted] [redacted] Federal Bureau of Investigation (FBI), was advised by SA [redacted] that oral authority had been granted by Assistant United States Attorney (AUSA) [redacted] Southern District of New York, to impound certain vehicles used by [redacted]

SA [redacted] received two sets of vehicle keys from SA [redacted] who advised that both vehicles were to be impounded and transported to the FBI Office. SA [redacted] advised that the vehicles were to be secured in the FBI garage.

SA [redacted] advised SA [redacted] of the above information and furnished SA [redacted] with the keys to the vehicle driven by [redacted]

SA [redacted] maintained the keys to the vehicle driven by [redacted] SA [redacted] transported a Buick, New York License [redacted] from its parking place in front of the Primal Arts Center, 33 East 68 Street, New York, New York, at 11:30 PM with odometer reading of 87,604 miles and the vehicle was parked and secured at 26 Federal Plaza, at 11:47 PM, with a odometer reading of 87,611.

b6  
b7C

Investigation on 10/25/79 at New York, New York File # NY 29-15128-542

by SA [redacted] Date dictated 10/25/79 b6  
vat b7C

## FEDERAL BUREAU OF INVESTIGATION

10/31/79

Date of transcription \_\_\_\_\_

On October 25, 1979, Special Agent (SA) [REDACTED]  
 [REDACTED] (Driver) and SA [REDACTED] (Passenger) trans-  
 ported a yellow Pontiac Bonneville bearing license number  
 [REDACTED] from the south side of East 67th Street near Madison  
 Avenue, New York City to the Federal Bureau of Investiga-  
 tion (FBI) garage at 26 Federal Plaza. Above agents left  
 the 67th Street location at approximately 11:30 pm and  
 arrived at the FBI garage at approximately 11:50 pm. Upon  
 leaving the 67th Street location the mileage in this vehicle  
 was 56,789.9 and the closing mileage at arrival to the  
 FBI garage was 56,797.0

b6  
b7Cb6  
b7C

Investigation on 10/25/79 at New York, New York File # NY 29-15128-1543

by SAS [REDACTED] and [REDACTED] RJS/mlg Date dictated 10/30/79

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 31 1979	
FBI - NEW YORK	

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

City New York  
 Date 8/27/79

Request of Special Agent in Charge, FBI,

New York

[redacted] dollars, and [redacted] cents,  
 (\$ [redacted]), which money is to be paid by me on 8/24/79, 8/20/79  
 to [redacted]  
 in connection with the case entitled [redacted]  
et al.

b6  
 b7C  
 b7E

Services: \$ [redacted]

Expenses: \$ [redacted]

Signed [redacted]

Have payments been made by other Offices?  No  Yes (List Offices below)

Authority (date) Buairtel 8/7/79 + 8/23/79

Period Covered by Payment 8/20 - 8/24/79

Authorization Checked ✓

Check Number 22/2 9/13/79

Date of Actual Payment 8/24/79 8/20/79

By Whom SA [redacted]

b6  
 b7C

Receipts Received Yes

Voucher Prepared 10/22/79 Item 12

Category 7

File No. 29-15128

Supr

Approved John J. Gleame Jr.

SAC

24-15128-544  
 FBI-BALTIMORE

SAC, DIVISION II (29-15128)

9/11/79

SA [redacted] (H-2)

[redacted]  
ET AL;  
BF&E; ITSP

b6  
b7C

From this location, numerous telephone calls were made and meetings arranged re captioned matter. Inasmuch as [redacted] meetings were with various subjects involved in captioned matter it was necessary to [redacted]

[redacted] was utilized to serve this purpose.

b6  
b7C  
b7D  
b7E

Funds expended for the room were personally expended by SA [redacted] on his Mastercharge card in the amount of [redacted]

On 8/27/79, FSA advised the balance in [redacted] account was [redacted]

It is requested that SA [redacted] be reimbursed for the funds expended. (Receipt attached)

GAM:tb  
(3)

City NEW YORK CITYDate 8/29/79Request of Special Agent in Charge, FBI, NEW YORK CITY

[redacted] dollars, and [redacted] cents.  
 (\$[redacted]), which money is to be paid by me on 8/9/79  
 to [redacted] MADISON AVENUE AT 69TH ST. N.Y. NY.  
 in connection with the case entitled [redacted] ET AL BE, E JTS/2

b6  
b7C  
b7D  
b7E

Services: \$ [redacted]

Expenses: \$ [redacted]

Signed [redacted]  
Special AgentHave payments been made by other Offices?  No  Yes (List Offices below)Authority (date) BU AIRTEL DATED 8/7/79Period Covered by Payment 8/7 - 8/29/79Authorization Checked ✓Check Number 2266 8/19/79Date of Actual Payment 8/9/79By Whom gpaReceipts Received ✓Voucher Prepared 10/22/79 Item 3Category 7File No. 79-15125Approved Super. [redacted] SACb6  
b7C

SEARCHED fin INDEXED fin SERIALIZED fin FILED fin  
 29-15128-545  
 FBI/DOJ

City NEW YORK CITYDate 8/29/79Request of Special Agent in Charge, FBI, NEW YORK CITY

[redacted] dollars, and [redacted] cents,  
 (\$ [redacted]), which money is to be paid by me on 8/29/79  
 to [redacted] MADISON AVENUE AT 69<sup>TH</sup> ST N.Y., NY.  
 in connection with the case entitled [redacted] LETAL BPI/E ZTS10

b6  
 b7C  
 b7D  
 b7E

Services: \$ [redacted]

Expenses: \$ [redacted]

Signed

Have payments been made by other Offices?  No  Yes (List Offices below)Authority (date) BU A/T DATED 8/7/79Period Covered by Payment 8/7-8/29Authorization Checked ✓Check Number 2267

b6  
 b7C

Date of Actual Payment 8/29/79By Whom glsReceipts Received glsVoucher Prepared 10/22/79 Item 15Category ✓File No. 29-15128

SEARCHED  
 SERIALIZED  
 INDEXED  
 FILED

Approved John D. Malone

*John D. Malone*  
 SAC-2

29-15128-546

City New York  
 Date 8/20/79

Request of Special Agent in Charge, FBI, \_\_\_\_\_

\_\_\_\_\_ dollars, and \_\_\_\_\_ cents,

(\$ \_\_\_\_\_), which money is to be paid by me on

8/29/79

to \_\_\_\_\_

in connection with the case entitled

8F+E; ITSP

PT 41

b6  
 b7C  
 b7D  
 b7E

Services: \$ \_\_\_\_\_

Expenses: \$ \_\_\_\_\_

Signed \_\_\_\_\_

Special Agent

Have payments been made by other Offices?  No  Yes (List Offices below)

Authority (date) BU airtel 8/17/79

Period Covered by Payment 8/29 - 8/30/79

b6  
 b7C

Authorization Checked ✓

Check Number 2161 9/5/79

Date of Actual Payment 8/29/79

By Whom \_\_\_\_\_

Receipts Received yes

Voucher Prepared 10/22/79 Item 16

Category B

File No. 29-15128

Supervisor John J. Cramer, Jr.

Approved John J. Cramer, Jr.

SAC

John J. Cramer, Jr.  
29-15128-547  
 FBI/DOJ

## FSA BLUE SLIP

I

, request \$ [redacted] for payment to amount

in connection with investigation entitled

6 + a1 29-15128

Authority: Entitled date 8/23/79 Payments made by other office(s):  Yes  No  
(ATTACHED)

(If "Yes" list office(s) under details)

Period Covered: 9/11/79

Services: [redacted]

Expenses: [redacted]

Total: [redacted]

Details: for Student Securities Matter  
[redacted]  
[redacted]

Reviewed: [redacted]

Check Number: 2293Check Dated: 9/20/79On 9/20/79, I received from Field Support Account

\$ [redacted] for expenditure(s) in connection with the above matter.

Signed: [redacted]

(Special Agent)

Category: QItem Number: 33Investigative Program: WCCVoucher Dated: 9/28/79I hereby certify that the above represents a proper and approved expenditure and that funds were expended on 9/20/79 per attached receipt(s) or certificate(s).  b6  
 b7CApproved Disapproved 

548 (Title)

SAC (29-15128) (P)

9/20/79

SA [redacted] (M-2)

[redacted]  
ET AL  
BF&E (A)

b6  
b7C

ReButel, dated 8/23/79. (See attached).

In NY teletype to the Bureau, dated 8/17/79, NYO requested an increase in FSA account of [redacted] Bureau was advised that a portion of these funds, approximately [redacted] would be utilized in a "preliminary" purchase of stolen securities from organized crime figures.

In referenced Bureau teletype to NY, dated 8/23/79, funds in the amount of [redacted] were authorized in the FSA with the above purpose in mind.

On [redacted] a meeting took place between [redacted] Pursuant to a [redacted] purchase agreement between [redacted] of stolen securities. [redacted] promised that upon receipt of [redacted] Friday, [redacted] in stolen securities the following week.

b6  
b7C  
b7D  
b7E

It is requested that funds in the amount of [redacted] be advanced by the FSA. (29-15128), [redacted] looking toward a possible "buy bust" in the near future. On 9/20/79, FSA advised the balance in the FSA regarding NY 29-15128 was [redacted].

GAM:cmw  
(3)

23282247

23282248

P 2328232 AUG 79

FM DIRECTOR FBI

TO FBI NEW YORK PRIORITY

ATTN: SUPERVISOR [redacted]

oT

UNCLAS E F T O

b6  
b7C

[redacted] ET AL, BF&E; IIISP (A); OC: NEW YORK

RE NEW YORK TELETYPE TO DIRECTOR, DATED AUGUST 17, 1979  
AND BUTELCAL TO NEW YORK 6/23/79.

THIS CONFIRMS RE BUTELCAL WHEREIN YOU WERE ADVISED THAT  
FBIHQ AUTHORITY HAS BEEN GRANTED FOR SAC NEW YORK, TO EXPEND  
[redacted] FROM THE FIELD SUPPORT ACCOUNT IN  
THIS CASE.

b6  
b7C  
b7E

YOUR REQUEST FOR [redacted] 10  
BE UTILIZED IN THIS CASE, DURING THE PERIOD [redacted]  
[redacted], HAS BEEN APPROVED. THESE FUNDS, WHICH ARE  
TO BE FORWARDED TO YOUR DIVISION VIA AIRTEL BY AUGUST 27, 1979,  
REPRESENT AN ADVANCE TO YOUR OFFICE AND ARE NOT TO BE CONSIDERED

29-15122-44

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 23 1979	

b6  
b7C

RECORDED [redacted] BY [redacted]

TRANSMITTED [redacted] (Number) (Time)



DO NOT USE THE CASH ADVANCE AS A FIELD SUPPORT ACCOUNT NOR DEPOSITED THEREIN.

AND ARE TO BE PROVIDED ADEQUATE SECURITY AND ACCOUNTABILITY.

b1

3079

NNNN

REPRESENT AN ADVANCE TO YOUR OFFICE AND ARE NOT TO BE CONSIDERED

24-15122-111

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 23 1979	
FBI - NEW YORK	

100

SUPV. JAMES K. KALLSTROM (#14)

8/21/79

SA [redacted] (#M-2)

[redacted]  
b6  
b7C

ET AL;  
BF&E; ITSP  
(OO:NY)

Captioned matter involves the theft of several million dollars in bearer securities from various brokerage and clearing houses in the Wall Street area.

At [redacted] a source of the NYO will meet with a major securities [redacted] on Second Avenue at 53rd Street, New York, NY. The source has stated with absolute certainty that he will be thoroughly searched by [redacted] for a recording device prior to any in-depth conversations re stolen securities transactions. It is therefore, necessary that recording devices [redacted]  
[redacted]

b6  
b7C  
b7D  
b7E

[redacted] with the FBI and has stated that the most convenient time [redacted] 3:30 and 5 PM on [redacted]

Assistance of Section 14 is requested in this matter.

Bureau authority in this consensual monitoring matter was granted on by Bureau airtel, dated 7/31/79.

I - 29-15128

GAM:tb  
(3)

10/31/79

29-15128-549

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 24 1979	

10/31/79



b6  
b7C

FBI

## TRANSMIT VIA:

Teletype  
 Facsimile  
 Airtel

## PRECEDENCE:

Immediate  
 Priority  
 Routine

## CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date 10/11/79

TO : ADIC, NEW YORK (29-15128)

FROM : SAC, SEATTLE (29-2348) (RHC)  
*see box*

SUBJECT:  dba  
 Financial Services Bank, Ltd.  
 St. Vincent, British West Indies;  
 ET AL  
 BF&E; ITSP (A)  
 OO: NEW YORK

Re New York airtel to Seattle, dated 7/1/79.

A check with the Seattle City Directory and the Pacific Northwest Bell Telephone Company has been negative in efforts to locate  with provided identifiable data.

A check with the records of the Seattle Police Department, the Sea-King Computer and the King County Department of Public Safety, has also been negative in attempts to locate

b6  
b7C

A Dunn and Bradstreet check was conducted on Equipo Consolidato with negative results. Also, a record check with the Seattle City Directory and the Pacific Northwest Bell Telephone Company in reference to Equipo Consolidato proved to be negative.

2 - New York  
 1 - Seattle  
 EAJ:del  
 (3)

29-15128-550

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 19 1979	
FBI - NEW YORK	

*10/11/79*

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_  
 (Number) (Time)

TO: OFFICE	Date			
Subject	Social Security Account #			
Aliases				
Address	Birth Date	Birthplace	Race	Sex
			<input type="checkbox"/> Male	<input type="checkbox"/> Female
<input type="checkbox"/> Exact Spelling	<input type="checkbox"/> Main Criminal Case Files Only	<input type="checkbox"/> Restrict to Locality of		
<input type="checkbox"/> All References	<input type="checkbox"/> Criminal References Only			
<input type="checkbox"/> Main Subversive Case Files Only	<input type="checkbox"/> Main Subversive (If no Main, list all Subversive References)			
<input type="checkbox"/> Subversive References Only	<input type="checkbox"/> Main Criminal (If no Main, list all Criminal References)			
File & Serial Number	Remarks	File & Serial Number	Remarks	
see att full search				
see att 101 mid name beg m full search			b6 b7C	
see att full search				
Financial Services Bank see att full search				
Requested by	Squad	Extension	File No.	
Searched by	10/20/79 (date)			
Consolidated by	(date)			
Reviewed by	(date)			
File Review Symbols				
I - Identical	? - Not identifiable			
NI - Not identical	U - Unavailable reference			

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/17/79

On [REDACTED], a physical surveillance was conducted in the vicinity of [REDACTED] [REDACTED] New York, New York, with the following observations made.

Time      Observation

9:10 PM Physical surveillance initiated.

9:14 PM SA [REDACTED] and SA [REDACTED] entered [REDACTED]

9:23 PM SA [REDACTED] and SA [REDACTED] exited [REDACTED]

9:30 PM [REDACTED] and SA [REDACTED] entered the [REDACTED]

9:31 PM SA [REDACTED] exits the [REDACTED]

9:50 PM [REDACTED] also known as [REDACTED] and [REDACTED] entered the [REDACTED]

12:48 AM [REDACTED] and [REDACTED] exit the [REDACTED] and [REDACTED] shakes hands with [REDACTED] and departs area in vehicle.

12:49 AM [REDACTED] and [REDACTED] enter yellow colored Cadillac parked at the southeast corner of Second Avenue and 53rd Street.

12:50 AM Yellow colored Cadillac with New York License Plates departs parking place at corner of Second Avenue and East 53rd Street and proceeds south on Second Avenue to 52nd Street where the vehicle turns left proceeding west and out of view.

12:51 AM Physical surveillance discontinued.

Investigation on 10/11-12/79 at New York, New York File # NY 29-15128 551  
 by SAS [REDACTED] and RJR/dap Date dictated 10/17/79

## FEDERAL BUREAU OF INVESTIGATION

10/20/79

Date of transcription \_\_\_\_\_

On [redacted] Special Agent (SA) [redacted]  
[redacted] observed [redacted] and [redacted] whose  
photographs were displayed to him earlier that same evening,  
enter [redacted] New York  
City (NYC) at 9:02 PM. Prior to the arrival of [redacted] and  
SA [redacted] drove SA [redacted] and [redacted]  
[redacted] arriving there at approximately  
8:55 PM. SA [redacted] then took up a fixed surveillance  
position [redacted]  
[redacted] affording him a clear view of the  
[redacted]

b6  
b7C  
b7D  
b7E

At approximately 11:00 PM, SAs [redacted] and [redacted]  
exited [redacted] and were driven by SA [redacted] back  
to the New York Office (NYO) of the Federal Bureau  
of Investigation (FBI), 26 Federal Plaza, New York City  
(NYC).

Investigation on 10/20/79 at New York, New York File # NY 29-15128 552  
SA [redacted] mmk Date dictated 10/20/79  
by \_\_\_\_\_

F B I

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

008

Date 10/27/79

FM NEW YORK (29-15128) (P) (M-2)

b6  
b7C

TO DIRECTOR (29-85152) ROUTINE

ATTN: SUPV. 

BT

UNCLAS

"CHANGED",  DBA FINANCIAL SERVICES, LTD.,ST. VINCENT, BRITISH WEST INDIES;  DBA ISLANDSECURITY BANK, GRAND CAYMAN, BRITISH WEST INDIES; b6  
b7CAKA, AKA, AKA, AKA, ESQ.; ESQ.; ESQ.; MICHAEL RAYMOND, AKA, MICHAEL BURNETT, AKA PAUL FENTON; AKA, AKA, AKA, AKA, AKA, ESQ.; 

FRAUDULENT NEGOTIATION OF 67 WEST PENN POWER COMPANY, BEARER

BONDS EACH IN THE AMOUNT OF \$1,000.00, AT CHASE MANHATTAN BANK,

NEW YORK, NEW YORK, IN MARCH, 1978; ATTEMPT TO NEGOTIATE

① NEW YORK

1-SUPERVISOR #M-2

1-PROGRAM MANAGER, ADIC AUTOMATED RECORD<sup>®</sup>

GP#M-2

MW:jp

(3)

15128-553

b6  
b7CApproved: JES/jp

Transmitted

(Number)

10/27/79 (Time)

Per

JES

F B I

## TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

## PRECEDENCE:

Immediate  
 Priority  
 Routine

## CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE TWO UNCLAS

\$228,877.23 WORTH OF STOLEN SECURITIES AT M.S. WIEN AND COMPANY,  
JERSEY CITY, NEW JERSEY, ON OCTOBER 10, 1977; THEFT OF  
\$200,000.00 WORTH OF PUBLIC SERVICE COMPANY OF OKLAHOMA BONDS  
FROM BRADFORD TRUST COMPANY; THEFT OF 1.1 MILLION DOLLARS IN  
NASSAU COUNTY TAX ANTICIPATION NOTES FROM BRADFORD SECURITY  
PROCESSING CENTER, INC., ON JUNE 13, 1978; THEFT OF 1.5 MILLION  
DOLLARS WORTH OF BEARER BONDS FROM BACHE, HALSEY, STUART, AND  
SHIELDS, INC., NEW YORK, NEW YORK, IN OCTOBER, 1977; THEFT OF  
\$7,000,000.00 IN FEDERAL FARM CREDIT BANK CERTIFICATES FROM  
CHEMICAL BANK IN AUGUST, 1979, BF&E; ITSP; CONSPIRACY (A),  
OO: NEW YORK.

THE TITLE OF THIS CASE IS MARKED "CHANGED" TO REFLECT ADDITIONAL SUBJECTS OF THIS INVESTIGATION AND CONSOLIDATION OF OTHER CASES.

ON OCTOBER 25, 1979, AT APPROXIMATELY 11:00 P.M., THE FOLLOWING INDIVIDUALS WERE ARRESTED BY AGENTS OF THE NYO OF THE FBI, ON THE BASIS OF VERBAL AUTHORIZATION TO EFFECT WARRANTLESS ARRESTS ISSUED BY AUSA [REDACTED] SDNY, IN CONNECTION WITH CAPTIONED MATTER:

b6  
b7c

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

FBI

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE THREE UNCLAS

[REDACTED] WAS ARRESTED WITHOUT INCIDENT BY BUREAU AGENTS. FOLLOWING THE ARREST, [REDACTED] WAS TRANSPORTED TO THE NYO OF THE FBI, WHERE HE WAS FINGERPRINTED AND PHOTOGRAPHED.

[REDACTED] WAS THEN LODGED IN THE METROPOLITAN CORRECTIONAL CENTER (MCC), NEW YORK, NEW YORK. ON OCTOBER 26, 1979, [REDACTED] APPEARED BEFORE UNITED STATES MAGISTRATE NINA GERSHON, BASED UPON A COMPLAINT FILED IN THE SDNY, CHARGING [REDACTED] WITH VIOLATION OF TITLE 18, USC, SECTION 371 (CONSPIRACY TO VIOLATE TITLE 18, USC, SECTION 2315). [REDACTED] WAS RELEASED ON \$50,000.00 PERSONAL RECOGNIZANCE BOND AND \$2,500.00 CASH OR SECURITY. [REDACTED] IS DESCRIBED AS FOLLOWS:

FULL NAME [REDACTED] RACE WHITE, SEX MALE, HEIGHT FIVE FEET NINE INCHES, WEIGHT 200 POUNDS, EYES BROWN, HAIR BROWN,

DOB [REDACTED] POB [REDACTED] SSAN [REDACTED]

[REDACTED] WAS ARRESTED WITHOUT INCIDENT AFTER WHICH HE WAS TRANSPORTED TO THE NYO OF THE FBI, WHERE HE WAS FINGERPRINTED AND PHOTOGRAPHED. [REDACTED] WAS THEN LODGED IN THE MCC, NEW YORK, NEW YORK. ON OCTOBER 26, 1979, [REDACTED] APPEARED BEFORE UNITES STATES MAGISTRATE NINA GERSHON BASED UPON A COMPLAINT FILED IN THE SDNY, CHARGING [REDACTED] WITH VIOLATION OF TITLE 18, USC, SECTION 371 (CONSPTRACY TO VIOLATE

b6  
b7C

FBI

TRANSMIT VIA:

- Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

- Immediate  
 Priority  
 Routine

CLASSIFICATION:

- TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE FOUR UNCLAS

TITLE 18, USC, SECTION 2315). BOND WAS SET AT \$50,000.00 CASH OR SECURITY. [REDACTED] WAS REMANDED TO THE CUSTODY OF THE UNITED STATES MARSHAL'S, SDNY, AND WAS LODGED IN THE MCC, NEW YORK, NEW YORK, HAVING FAILED TO POSTPONED.

b6  
b7C

[REDACTED] IS DESCRIBED AS FOLLOWS: FULL NAME [REDACTED]

[REDACTED] RACE WHITE, SEX MALE, HEIGHT FIVE FEET TEN INCHES,

WEIGHT 170 POUNDS, EYES BROWN, HAIR BLACK, DOB [REDACTED]

POB [REDACTED]

SSAN [REDACTED]

RESIDENCE [REDACTED]

TATOO [REDACTED]

[REDACTED] WAS ARRESTED WITHOUT INCIDENT AND

WAS TRANSPORTED TO THE NYO OF THE FBI, WHERE HE WAS FINGER-

PRINTED AND PHOTOGRAPHED. [REDACTED] WAS THEN TRANSPORTED TO THE

OFFICE OF THE AUSA, SDNY, WHERE AUSA [REDACTED] DISMISSED THE

COMPLAINT AGAINST [REDACTED] WAS THEN RELEASED.

[REDACTED] IS DESCRIBED AS FOLLOWS: FULL NAME [REDACTED]

[REDACTED] RACE WHITE, SEX MALE, HEIGHT FIVE FEET EIGHT INCHES,

WEIGHT 200 POUNDS, EYES GREEN, HAIR BROWN, DOB [REDACTED]

POB [REDACTED]

RESIDENCE [REDACTED]

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_  
(Number) (Time)

Per \_\_\_\_\_

FBI

TRANSMIT VIA:

Teletype  
 Facsimile  
 \_\_\_\_\_

PRECEDENCE:

Immediate  
 Priority  
 Routine

CLASSIFICATION:

TOP SECRET  
 SECRET  
 CONFIDENTIAL  
 UNCLAS E F T O  
 UNCLAS

Date \_\_\_\_\_

PAGE FIVE UNCLAS

[REDACTED] WAS PLACED UNDER ARREST BY AGENTS OF THE NYO. DURING A SEARCH OF [REDACTED] PERSON INCIDENTAL TO THE ARREST, A COLT 38 CALIBER SPECIAL COBRA, SERIAL NUMBER [REDACTED] WAS FOUND ON [REDACTED] PERSON AND WAS SEIZED. [REDACTED] WAS THEN TRANSPORTED TO THE NYO OF THE FBI, WHERE HE WAS FINGERPRINTED AND PHOTOGRAPHED. [REDACTED] WAS LODGED IN THE MCC, NEW YORK, NEW YORK. ON OCTOBER 26, 1979, [REDACTED] APPEARED BEFORE UNITED STATES MAGISTRATE GERSHON ON THE BASIS OF A COMPLAINT FILED WHICH CHARGED [REDACTED] WITH VIOLATION OF TITLE 18, USC, SECTION 371 (CONSPIRACY TO VIOLATE TITLE 18, USC, SECTION 2315). BOND WAS SET AT \$25,000.00 PERSONAL RECOGNIZANCE BOND AND \$10,000.00 CASH OR SECURITY. [REDACTED] WAS RELEASED AFTER MEETING THE BOND REQUIREMENTS.

[REDACTED] IS DESCRIBED AS FOLLOWS: RACE WHITE, SEX MALE,  
 POB [REDACTED] DOB [REDACTED] CURRENT ADDRESS  
 [REDACTED] FBI NUMBER [REDACTED]  
 NYPD B NUMBER [REDACTED]

IN CONNECTION WITH THE ARRESTS WHICH WERE MADE ON OCTOBER 25, 1979, IN THIS MATTER, AN AUTOMOBILE WHICH BELONGS TO [REDACTED]  
 [REDACTED] AND AN AUTOMOBILE BELONGING TO [REDACTED]

b6  
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PRECEDENCE:

Immediate  
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CLASSIFICATION:

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PAGE SIX UNCLAS

[REDACTED] WERE SEIZED BY AGENTS OF THE NYO AND WERE REMOVED TO THE NYO. ON OCTOBER 26, 1979, [REDACTED] CONSENTED TO A SEARCH OF HIS VEHICLE. A SEARCH WAS AFFECTED BY AGENTS OF THE NYO, AND [REDACTED] VEHICLE WAS RETURNED TO HIM. [REDACTED] VEHICLE IS PRESENTLY IN CUSTODY AT THE NYO OF THE FBI, AND A SEARCH WARRANT WILL BE SOUGHT ON OCTOBER 29, 1979. AT THE TIME OF THE ARREST OF [REDACTED] TWO REGISTERED BEARER BONDS, ISSUED BY THE NEW YORK TELEPHONE COMPANY (40 YEAR 8 5/8 PERCENT DEBENTURES DUE JUNE 15, 2016), NUMBER RU5771 AND RU4596, EACH HAVING A DENOMINATION OF ONE MILLION DOLLARS WERE RECOVERED.

NEW YORK, AT NEW YORK, NEW YORK. WILL CONTINUE INVESTIGATION.

BT

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Date 10/29/79

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corrected on cards

FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) IMMEDIATE

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SECTION ONE OF TWO SECTIONS

[REDACTED] ET AL; BF &amp; E; ITSP (A); OO: NEW YORK.

RENYTEL TO BUREAU, DATED OCTOBER 26, 1979.

FOR INFORMATION OF THE BUREAU CAPTIONED MATTER INVOLVES  
 MULTIPLE THEFTS OF SECURITIES FROM VARIOUS BROKERAGE AND  
 CLEARING HOUSES IN THE WALL STREET AREA OVER A TIME PERIOD  
 RANGING FROM SUMMER, 1977, TO DATE.

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[REDACTED]  
 [REDACTED] ADVISED THAT ONE OF THE MAJOR VEINS OF STOLEN  
 SECURITIES OUT OF THE WALL STREET AREA CONSISTED OF A GROUP  
 OF INDIVIDUALS [REDACTED]

[REDACTED] IN [REDACTED] AN OPERATION WAS UNDERTAKEN BY FBI,  
 NEW YORK, TARGETING [REDACTED] AND THE ABOVE MENTIONED GROUP UTILIZ-  
 ING [REDACTED] CONSENSUALLY

1-NEW YORK  
 1-SUPERVISOR # M-2  
 1-PROGRAM MANAGER, ADIC

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PAGE TWO U N C L A S

MONITORED MEETINGS AND TELEPHONIC CONVERSATIONS

[REDACTED] THE GOALS OF THIS OPERATION WERE

AS FOLLOWS:

1.) TO OBTAIN INCRIMINATING EVIDENCE AGAINST [REDACTED]

[REDACTED] STLEN SECURITIES TRANSACTIONS BETWEEN [REDACTED]

2.) TO OBTAIN INFORMATION LEADING TO THE DETERMINATION  
 OF THE IDENTITY OF [REDACTED] SOURCES INSIDE THE BROKERAGE AND  
 CLEARING HOUSES.

ON [REDACTED] A MEETING WAS ARRANGED AT [REDACTED]

[REDACTED] NEW YORK, NEW YORK,

BETWEEN [REDACTED] ALTHOUGH BOTH PARTIES MADE

APPEARANCES AT [REDACTED] NEITHER APPROACHED NOR

ACKNOWLEDGED [REDACTED], RATHER [REDACTED] CAREFULLY

ASSESSED THE SITUATION AND FOR REASONS UNKNOWN BACKED AWAY

FROM THE MEETING. HOWEVER, IT IS NOTED THAT DURING [REDACTED]

PRESENCE AT [REDACTED] ENGAGED IN A FRIENDLY CONVERSATION

WITH SPECIAL AGENT [REDACTED] WHILE STANDING AT THE BAR

OBSERVING [REDACTED] (SA [REDACTED]) WAS ACTING IN AN UNDERCOVER

CAPACITY AT THE TIME.) DURING THIS CONVERSATION [REDACTED]

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PAGE THREE U N C L A S

VOLUNTEERED HIS TRUE NAME TO SA [REDACTED] IDENTIFYING HIMSELF  
 AS [REDACTED]

SEVERAL WEEKS THEREAFTER, [REDACTED] WAS AGAIN CONTACTED BY

[REDACTED] AND A MEETING WAS ARRANGED AT [REDACTED]  
 [REDACTED]  
 [REDACTED]

ON [REDACTED] A MEETING OCCURRED AT [REDACTED]

[REDACTED] BETWEEN [REDACTED] AND AN INDIVIDUAL SUB-  
 SEQUENTLY IDENTIFIED BY BUREAU AGENTS AS [REDACTED]  
 DURING THIS MEETING [REDACTED] FURNISHED [REDACTED] WITH A PHOTO-  
 STATIC COPY OF A ONE MILLION DOLLAR BOND CERTIFICATE OF FEDERAL  
 FARM CREDIT BANKS, CERTIFICATE NUMBER 54158. [REDACTED] ADVISED

[REDACTED]

IT IS NOTED THAT  
 AT THE CLOSE OF THE MEETING [REDACTED] REFERRED TO [REDACTED] AS  
 [REDACTED] STATING THAT IF [REDACTED] HE

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Date

PAGE FOUR U N C L A S

## SHOULD SPEAK WITH

IT IS NOTED THAT FOUR MEETINGS OCCURRED SUBSEQUENT TO THIS FIRST MEETING AT [REDACTED] AND THERE WERE COUNTLESS

TELEPHONE CONVERSATIONS BETWEEN [REDACTED]  
THE MOST SIGNIFICANT POINTS TOUCHED ON DURING THE NEGOTIATIONS  
LEADING TO THE ARRESTS DISCUSSED IN REFERENCED TELETYPE ARE AS  
FOLLOWS:

## 1.) DURING NEGOTIATIONS

RATHER, THERE WERE ONLY

SIX CERTIFICATES CURRENTLY AVAILABLE.

IT IS NOTED THAT IN NEW YORK INVESTIGATION REGARDING  
NY 29-15718 CASE ENTITLED "MYSTERIOUS DISAPPEARANCE OF <sup>17</sup> MILLION WORTH OF FEDERAL FARM CREDIT CERTIFICATES FOR CHEMICAL BANK, NEW YORK, NEW YORK", ONE OF THE SEVEN STOLEN CERTIFICATES WAS RECOVERED BY FBI, NEW YORK. FILE REFLECTS THAT AN ATTORNEY NAMED   REPRESENTING AN ANONYMOUS CLIENT ATTEMPTED TO NEGOTIATE CERTIFICATE NUMBER 54157 AT THE FEDERAL RESERVE BANK ON OCTOBER 3, 1979.

## THE INFORMATION OBTAINED FROM

**APPEARED TO BE**

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(Number) (Time)

Per \_\_\_\_\_

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PAGE FIVE U N C L A S

STRONGLY INDICATIVE OF THE FACT THAT [REDACTED]

[REDACTED] CURRENTLY IN POSSESSION

OF THE STOLEN CERTIFICATES.

2.) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3.) SUBSEQUENT TO THE CLOSING OF NEGOTIATIONS REGARDING THE 6 MILLION DOLLARS IN FEDERAL FARM CREDIT BANK BONDS, SAS [REDACTED] CASE AGENTS REGARDING NY 87-81762 SUB D, ENTITLED " [REDACTED] ET AL; ITSP (D)" ADVISED THAT THEIR SOURCE IN THAT MATTER HAD SUDDENLY BEEN "CUT-OFF" FROM ANY FURTHER OPPORTUNITY TO PURCHASE THE ABOVE MENTIONED BONDS. FBI, NEW YORK INTERPRETED THIS RESULT AS INDICATIVE OF THE FACT THAT THE SOURCE OF THE BONDS HAD CONSUMMATED A DEAL WITH [REDACTED] AND NO LONGER NEEDED TO DEAL ELSEWHERE.

ON [REDACTED]

A MEETING TO TRANSACT FOR THE STOLEN

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PAGE SIX U N C L A S

SECURITIES, WAS AGREED UPON BY ALL PARTIES FOR THE EVENING OF

[REDACTED] ON OCTOBER 26, 1979, CHEMICAL BANK WAS

CONTACTED AND ADVISED OF THE ANTICIPATED RECOVERY OF THE FARM CREDIT CERTIFICATES. THEY ADVISED THAT THEY WOULD SPEND UP TO 60 THOUSAND DOLLARS TO RECOVER TWO OR THREE OF THE CERTIFICATES. IT WAS UNDERSTOOD THAT THE MONEY WOULD NOT BE SHOW MONEY, BUT FUNDS WHICH WOULD BE USED TO RECOVER THE CERTIFICATES, AS WELL AS DRAW THE SUBJECTS INTO A LARGER SUBSEQUENT SECURITIES TRANSACTION, POSSIBLY NOT RELATED TO CHEMICAL BANK. THE 60,000 WAS OBTAINED FROM CHEMICAL BANK FOR USE IN THE PROPOSED OPERATION.

4.) FACTS IN ORDER OF OCCURRENCE ON THE EVENING OF THE

"BUY-BUST" AT [REDACTED] NEW YORK,

NEW YORK, ARE AS FOLLOWS:

AT APPROXIMATELY 8:00 PM, [REDACTED]

ROOM DELIVERING A ONE MILLION BOND CERTIFICATE OF NEW YORK TELEPHONE COMPANY. [REDACTED] THEN TOLD [REDACTED] THAT THE ONE

[REDACTED] AND INSISTED

THAT [REDACTED]

FEDERAL FARM CREDIT BANKS CERTIFICATES. [REDACTED] STATED THAT

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FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) IMMEDIATE

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FINAL SECTION OF TWO SECTIONS

[REDACTED] ET AL; BF &amp; E; ITSP (A); OO: NEW YORK.

HE COULD NOT UNLESS HE COULD SHOW "THE MAN" SOME MONEY.

[REDACTED] ASKED HOW [REDACTED]

COULD BE SURE THAT [REDACTED] WOULD RETURN WITH THE CORRECT

CERTIFICATES. [REDACTED] STATED THAT HE WOULD LEAVE [REDACTED]

[REDACTED] WITH [REDACTED] UNTIL HE RETURNED.

[REDACTED]  
[REDACTED]  
[REDACTED] DISCUSSED THE ABOVE FACTS AND CIRCUMSTANCES WITH  
BUREAU AGENTS [REDACTED][REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

AT APPROXIMATELY 10:30 PM [REDACTED] RETURNED TO [REDACTED]

[REDACTED] BUREAU AGENTS ON THE STREET HAVE ADVISED THAT THEY

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Date \_\_\_\_\_

PAGE TWO U N C L A S

OBSERVED [REDACTED] ENGAGED IN AN EXTENSIVE DISCUSSION WITH  
 SUBJECT [REDACTED] ON THE STREET JUST PRIOR TO ENTERING  
 [REDACTED] UPON RETURNING TO [REDACTED]  
 [REDACTED] WERE WAITING WITH SA [REDACTED]  
 [REDACTED]

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A SECOND ONE MILLION DOLLAR CERTIFICATE OF THE NEW YORK  
 TELEPHONE COMPANY.

WHEN IT BECAME APPARENT [REDACTED] WOULD BE UNABLE  
 TO PERSUADE [REDACTED] TO PRODUCE THE FEDERAL FARM CREDIT BANKS  
 CERTIFICATES [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]

IT IS NOTED THAT AT THE TIME OF [REDACTED] ARREST, [REDACTED]  
 MADE REFERENCE TO A "LITTLE HOT-HEAD" OUT ON THE STREET AND  
 STATED HE KNEW HIM AS [REDACTED] BASED ON INFORMATION FURNISHED  
 BY [REDACTED] AND SURVEILLANCE CARRIED ON BY BUREAU AGENTS ON  
 THE STREET [REDACTED] AKA [REDACTED] WAS ARRESTED AS  
 [REDACTED] REFUSED TO GIVE HIS CONSENT

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Date \_\_\_\_\_

PAGE THREE U N C L A S

TO HAVE HIS CAR SEARCHED) AND THERE APPEARS TO BE A POSSIBILITY  
 THAT [REDACTED]

[REDACTED] FBI, NEW YORK IS CURRENTLY IN THE PROCESS OF  
 OBTAINING A SEARCH WARRANT TO SEARCH [REDACTED] CAR, CURRENTLY  
 IN THE POSSESSION OF THE NYO.

IN ADDITION, SUBSEQUENT TO ARREST OF [REDACTED]  
 INDICATED TO AUSA [REDACTED] SDNY, THAT IF THE UNITED STATES  
 ATTORNEY'S OFFICE [REDACTED]  
 [REDACTED]  
 [REDACTED]

INASMUCH AS CHEMICAL BANK DID FURNISH MONIES TO ASSIST  
 IN THE BUREAU OPERATION WITH ANTICIPATION OF RECOVERY OF THE  
 FEDERAL FARM CREDIT CERTIFICATES IT IS REQUESTED THAT THE BUREAU  
 REIMBURSE THE BANK FOR THE [REDACTED] USED IN THE TRANSACTION.

NYO PRESENTLY HAS [REDACTED] OF CHEMICAL BANK'S FUNDS WHICH WILL  
 BE RETURNED.

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/30/79

On October 25, 1979, Special Agent (SA) [REDACTED] had occasion to temporarily detain [REDACTED] on the southeast corner of 69th Street and Madison Avenue in Manhattan. [REDACTED] was advised of the identity of SA [REDACTED] and was told that he was not under arrest. [REDACTED]

[REDACTED] accompanied by SA [REDACTED] walked across Madison Avenue to a restaurant on the west side of Madison Avenue, between 68th and 69th Streets. SA [REDACTED] and [REDACTED] entered the restaurant and obtained a glass of water. [REDACTED]

[REDACTED] then said that he wanted to use the mens room. He was accompanied by SA [REDACTED] to the mens room, and preceded to open the door to a stall containing a commode.

[REDACTED] then turned to SA [REDACTED] and asked, "Are you going to watch me take a shit". SA [REDACTED] replied in the affirmative. [REDACTED] then said that he would not defecate under such circumstances, and departed the restaurant with SA [REDACTED]

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Outside the restaurant, SA [REDACTED] asked [REDACTED] what he was doing in the vicinity of 69th Street and Madison Avenue in Manhattan, in view of the fact that [REDACTED] personal identification indicated that he resides in [REDACTED] refused to answer this question. SA [REDACTED] was then joined by SA [REDACTED] and SA [REDACTED].

Investigation on 10/25/79 at New York, New York File # NY 29-15128 *555*

by SA [REDACTED] /mvw Date dictated 10/29/79

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/31/79

[redacted] was interviewed at the New York Office on the evening of [redacted] following his arrest at [redacted]. [redacted] was orally advised of his rights immediately after his arrest at [redacted]. [redacted] was then read his rights again from form FD-395, following his arrival at the New York Office. [redacted] said he understood his rights, did not wish to make any statement or sign the Waiver of Rights form. [redacted] personal items were inventoried, after which he was photographed and fingerprinted.

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Investigation on 10/26/79 at New York, New York File # NY 29-15128 -55L  
*DJW*  
by SA [redacted] /mvw Date dictated 10/30/79 b6  
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CLASSIFICATION:

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Date 10/31/79

FM NEW YORK (29-15128) (P) (M-2)

TO DIRECTOR (29-85152) IMMEDIATE

BT

(ATTN: SUPER. [REDACTED])

UNCLAS

(corrections made on  
card)

[REDACTED] ET AL, BF&amp;E; ITSP (A), OO: NEW YORK.

RENYTEL TO BUREAU, DATED OCTOBER 29, 1979.

FOR THE INFORMATION OF THE BUREAU, AT APPROXIMATELY  
 10:30 (79)  
 10:30 A.M., ON ~~INSTANT DATE~~, A SEARCH WARRANT WAS OBTAINED  
 BY NYO FOR SEARCH OF VEHICLE BELONGING TO SUBJECT [REDACTED]

[REDACTED] AND CONFISCATED DURING [REDACTED] ARREST BY BUREAU  
 AGENTS ON [REDACTED] WARRANT WAS ISSUED BY UNITED  
 STATES MAGISTRATE LEONARD BERNIKOW, SDNY.

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AT APPROXIMATELY 11:00 A.M., [REDACTED] AUTO, DESCRIBED  
 AS A TAN 1971 PONTIAC BONNEVILLE, WAS THOROUGHLY SEARCHED  
 BY BUREAU AGENTS. RESULTS OF THE SEARCH ARE AS FOLLOWS:

LOCATED IN THE TRUNK OF [REDACTED] WAS A PACKAGE  
 CONTAINING \$3,580,000.00 IN STOLEN REGISTERED SECURITIES,  
 COMPANY AND AMOUNTS LISTED AS FOLLOWS:

① NEW YORK  
 1-SUPERVISOR #M-2  
 1-PROGRAM MANAGER, ADIC  
 GAM:jp 8P#M-2

(3)

Approved:

*W/JR*

Transmitted

HQ (Number)

(Time)

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NEW YORK TELEPHONE COMPANY, IN THE AMOUNT OF \$1,350,000.00;  
 VIRGINIA ELECTRIC AND POWER COMPANY, AMOUNT \$30,000.00;  
 MAC DONALD'S CORPORATION, AMOUNT \$2,200,000.00, AND THE  
 TOTAL OF ALL THREE COMPANIES IS \$3,580,000.00.

IT IS NOTED THAT THE \$6,000,000.00 IN BOND CERTIFICATES  
 OF FEDERAL FARM CREDIT BANK, STOLEN IN AUGUST, 1979, FROM  
 CHEMICAL BANK, WERE NOT FOUND TO BE IN  VEHICLE.

TO DATE, TOTAL RECOVERY OF STOLEN SECURITIES RECOVERED  
 BOTH AT TIME OF ARREST AND DURING SEARCH OF SUBJECT'S VEHICLE  
 AMOUNTS TO \$5,580,000.00.

IT IS FURTHER NOTED THAT NYO HAS INTENTIONALLY MINIMIZED  
 ANY PUBLICITY REGARDING ARREST AND RECOVERIES IN THE MATTER  
 INASMUCH AS ADDITIONAL ARRESTS AND RECOVERIES ARE ANTICIPATED  
 IN THE NEAR FUTURE IN RELATED MATTERS. NYO INVESTIGATION IS  
 CONTINUING.

BT

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